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### **Submission to Inquiry into Tackling Climate Change in Victorian Communities**

The Brotherhood of St Laurence thanks the Victorian Parliament's Environment and Planning Committee for this opportunity to respond to its Inquiry.

Climate change threatens all Victorians, especially those who are already vulnerable to stressors such as poor health, unemployment, low income and inadequate housing. Many live in homes that are unhealthily hot or cold and expensive to run, work in industries threatened by climate change, and live in communities vulnerable to direct impacts such as heatwaves, bushfires and flooding. In addition to their heightened vulnerability, people facing disadvantage can have a lower capacity to adapt to the impacts of climate change. For example, they may be underinsured, lack money for energy efficiency upgrades, or struggle to find employment as Victoria transitions to a zero-carbon society.

All communities stand to benefit from strong action on climate change, and the Victorian Government should lead this action and support community efforts. Emission reductions efforts should be in line with global efforts to limit warming to 1.5 degrees Celsius.

However, some communities will bear a high burden of the transition—most notably, coal-dependent communities. It will be important to support both communities that are already vulnerable and those likely to be disadvantaged by climate change impacts (for example, those dependent on agriculture or tourism) or by necessary responses to climate change (for example, areas where many people work in high-emissions industries).

### **The Brotherhood's work on climate change**

The Brotherhood is an independent community organisation working for an Australia free of poverty with the objective of addressing unmet needs and translating the understandings gained into new policies, new programs and practices for implementation by government and others. Our Energy, Equity and Climate Change program has been undertaking research, advocating for equitable policies and delivering innovative pilots to low-income households since 2007. Our recent work includes:

- **Researching affordable, clean energy for people on low incomes.** With ACOSS, the Brotherhood conducted research on the impacts of climate change on low-income people and policy measures to support them (see ACOSS & Brotherhood of St Laurence 2019, 2018a, 2018b).
- **Home Energy Assist: Affordable Retrofits (HEAAR).** This pilot program funded by the Victorian Government provided subsidised energy efficiency upgrades and solar power systems to 88 low-

income households in Melbourne. Such improvements can substantially reduce both carbon emissions and energy bills, but low-income households face financial barriers to taking them up. Government-funded programs like HEAAR are vital because they help households overcome these barriers.

- **Advocating for minimum energy efficiency standards for rental properties.** Many rented homes are energy-inefficient, creating unnecessarily large carbon footprints and straining renters' finances. Mandating minimum energy efficiency standards is the most effective way to improve these homes and to realise the associated emissions reductions.
- **Clean Energy for All.** This philanthropically funded program installs subsidised solar power systems on community housing, lowering emissions and bills.
- **Your Sustainable Home (YSH).** YSH is developing a lean and scalable model to provide energy efficiency upgrades to low-income households experiencing health challenges, including through adapting to impacts of climate change.

### **Lessons from the Brotherhood's research and pilots**

Through our research and work with the community, we see the need for urgent action on climate change and have gathered lessons about how government can contribute while supporting Victorian communities:

- **We must act on climate change now.** The consequences of unchecked climate change are unacceptable and early action is cheaper than delayed action (Independent Expert Panel on Interim Emissions Reduction Targets for Victoria 2019, p. 93). Delayed action on reducing emissions will increase costs and lead to a more dramatic structural adjustment in future.
- **Structural adjustments of the type required to reduce emissions tend to place more pressure on those who are already disadvantaged and directly impact new groups of vulnerable households and communities.**
- **Responses to climate change must be equitable.** Climate change is likely to exacerbate existing inequalities and impact vulnerable people hardest. Responses to climate change should be designed to reverse these harms and promote social equity (see ACOSS & Brotherhood of St Laurence 2019).
- **Climate action brings many co-benefits. For example:**
  - **Energy efficiency can aid health and affordability.** Home energy efficiency upgrades can provide low-cost greenhouse gas abatement while also increasing resilience against extreme weather events, which will become more frequent with climate change. Upgrades can therefore save households money and improve both their home comfort and their health. Among HEAART participants, 67% reported that their health or wellbeing had improved since receiving efficiency upgrades.
  - **Clean energy can lower energy prices, create jobs and improve health.** Modelling commissioned by the Brotherhood and ACOSS found that in Victoria, residential electricity prices in 2030 would be 16% lower than current levels under a national 65% emission reduction target that drives investment in clean energy (ACOSS & Brotherhood of St Laurence 2019, p. 35). Modelling for the Climate Council found that reaching 50% renewable energy by 2030 would create an extra 4,000 jobs in Victoria compared to business as usual (Sinden & Leffler 2016). Adopting clean energy can also improve health and save lives by avoiding the pollution from burning fossil fuels. For example, research commissioned for Environmental Justice Australia projected that NSW coal power plants will cause over 3,000 premature deaths before their planned closures (Ewald 2018, p. 5).
- **People are keen to do their part but face barriers.** Through the Brotherhood's work, we see real enthusiasm for climate change action, especially where people understand the benefits and

government provides assistance. For example, rooftop solar is well understood and its installation has been encouraged by government policy, and Australia 'leads the world in residential uptake of solar' (Egan 2019, p. 6). However, people also face barriers that government can help address. For example:

- **Renters are locked out of home energy efficiency and solar.** Typically, landlords have little incentive to improve the efficiency of their rented property because they do not pay its energy bills. Tenants may not have the right to upgrade their home, and even if they do, they often have little certainty that they will live in it long enough for energy upgrades to pay for themselves. Partly as a consequence, renters are far more likely than homeowners to have difficulty paying bills or heating their home (Victorian Council of Social Service 2018).
- **Vulnerable people need financial support and trusted advice to access energy efficiency.** Participants in HEAART rated the importance of subsidies and trusted advice very highly, reflecting the financial and informational barriers faced by households.
- **Community organisations need support.** Community organisations, from local sporting clubs to large NGOs, need help to adapt to climate change and lower their emissions, which can be difficult with limited resources. Community organisations do not always fit neatly into government programs designed to assist households or businesses.

### **Victorian Government support**

The Brotherhood recommends that the Victorian Government support communities and assist them to respond to climate change by pursuing the following opportunities:

- **Home energy efficiency programs.** We recommend that the Victorian Government greatly expand its initiatives to assist low-income households to access energy upgrades (including high-efficiency appliances) and solar PV and achieve the related emissions reductions. Programs to date have been commendable but do not come close to meeting the level of need.
- **Deliberative engagement with communities at risk, e.g. in the Latrobe Valley, to understand their needs, and work with the communities to develop and resource short, medium and long-term just transitions.**
- **Emissions reduction trajectory consistent with limiting global warming to 1.5 degrees.** The Victorian Government should show leadership by setting an emissions trajectory consistent with limiting global warming to 1.5 degrees Celsius, a level predicted to limit some of its effects on human society and nature (see Intergovernmental Panel on Climate Change 2018).
- **Support for community organisations to lower their emissions, including by installing energy efficiency measures.** Community organisations often need financial support to lower their emissions and have not been effectively targeted by existing initiatives. With government support, community organisations could lessen their impact on the environment and make more effective use of their limited funds.
- **Support for renters to access energy efficiency and renewable energy.** Renters are generally locked out of the environmental and financial benefits of energy efficiency and renewable energy, while many homeowners receive government subsidies to install solar power systems. It will be essential to implement comprehensive mandatory energy efficiency standards for rental properties (which could include an option to install solar PV). Mandatory standards are the best way to improve the efficiency of rented homes, and to deliver bill savings and improved thermal comfort and health outcomes to their residents in the face of increasingly extreme weather.

- In relation to incentives, the renters' component of Solar Homes represents a promising start, but it is far less widely available than the homeowners' scheme and has not seen wide take-up. In September 2019, for example, 9,750 subsidies are available for homeowners (and community housing) while only 166 are available for rental properties (Solar Victoria 2019a, 2019b). Government should support schemes that aim to install solar on rented homes or allow renters to buy renewable energy from a shared facility.

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Yours sincerely,

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