2 June 2022

Department of Environment, Land, Water and Planning
Victorian Government

Submission regarding Victoria's 2035 emissions reduction target

The Brotherhood of St. Laurence (BSL) welcomes this opportunity to comment on Victoria's 2035 greenhouse gas emissions reduction targets, which will be set by the Victorian Government and advised by the Independent Expert Panel (the Panel). The years between now and 2050, when Victoria must reach net zero emissions, are a crucial transition period requiring ambitious, well-planned policy.

Climate change is a major threat to everyone in Australia, but particularly people facing existing disadvantage. Victoria's 2035 target and its accompanying policies should reflect the need to protect vulnerable groups from the impacts of climate change, prepare them for a net-zero economy that leaves no-one behind, and ensure Victorians and our economy benefit from the opportunities in the transition.

The headings in this submission refer to the consultation questions outlined on the Engage Victoria website.

1   The emissions reduction target Victoria should set for 2035

The BSL recommends that Victoria adopt a 2035 emissions target consistent with our Paris Agreement commitments, and make a fair contribution to global efforts to limit global warming to 1.5 °C if at all possible. Warming above 1.5 °C will lead to very large additional harm, for example related to losses from natural disasters, extreme weather, threats to food security, and 'additional severe risks' to 'many human and natural systems' (IPCC 2022, p. 20). People facing disadvantage are likely to be affected disproportionately badly.

2   Key opportunities for emissions reductions

2.1   Decarbonising electricity

The biggest opportunity for short- and medium-term emissions reductions is decarbonising the electricity sector. Decarbonisation of electricity is already well underway, and aided by the Victorian Renewable Energy Target, but should be further supported by Victorian Government policy that works with the Commonwealth and other states to ensure a coordinated national approach to the planning and construction of transmission and storage infrastructure. Credible climate policy that provides long-term certainty to potential renewable energy investors will also support electricity decarbonisation.

If managed well, decarbonising electricity will also increase resilience to extreme weather by creating a more resilient energy system, and enabling households to use heating and cooling more cheaply, as well as increasing Victoria (and Australia)'s resilience to global events, such as the current energy price shocks resulting from Russia's invasion of Ukraine.

2.2   Electrifying and improving the energy efficiency of homes

Over 80% of Victorian homes are connected to gas (Victorian Government 2021), and they must be decarbonised to meet net zero, most likely through electrification. This is a huge task necessitating installing over 200,000 electric heaters and hot water systems in homes yearly (Victorian Government 2022). Policy to electrify homes is urgently needed, including support for low-income households and renters, who will often be unable to do so otherwise.

Improving home energy efficiency will also assist Victoria to meet its emissions targets, as well as increasing climate resilience. Victoria's standards for the efficiency of rented homes should be expanded and strengthened. Programs like Home Heating and Cooling Upgrades and Victorian Energy Upgrades should be expanded in the number of households they service, the range of upgrades they support, and provide no-cost upgrades for households who cannot afford a co-contribution.

3   Critical enablers of equitable emissions reductions

Policies that we see as key enablers of a fair, ambitious transition to net zero include:

3.1   Workforce planning and skills

Decarbonisation will require a workforce with new skills, and policy is needed to ensure people with these skills are available, preferably in a way that prioritises social equity. Policy should promote the engagement of groups at risk of being left out, for example women in electrical trades, and create job opportunities outside Melbourne, for example by skilling up workers local to renewable energy zones. Regionally specific cross-sectoral networks, modelled on successful interventions like the National Youth Employment Body (NYEB) could have a role in developing robust, locally relevant solutions, with strong buy-in from local communities.

3.2   Just transitions for regions

The Victorian Government should act to create long-term, well-resourced plans for regions at risk from either climate impacts or social/economic changes resulting from climate action. This should be driven by local people and organisations, with government funding retraining for future jobs and encouraging the development of new industries.

3.3   Gas Substitution Roadmap

The Victorian Government's Gas Substitution Roadmap is key to guiding our path away from using fossil gas. It should provide certainty about when gas will be phased out, because otherwise households and firms will continue buying new gas-burning devices that can last for decades, which will increase the future difficulty of phasing out gas. The Roadmap must also provide a path for the many workers employed in the gas sector, such as supported retraining in other fields like electrical trades or water plumbing. Finally, the Roadmap should mitigate the risk of the 'death spiral' situation in which low-income households become 'stuck' on an increasingly expensive gas network as others leave it.

For further information about this submission, please contact Damian Sullivan (e: dsullivan@bsl.org.au; m: 0405 141 735) or David Bryant (e: dbryant@bsl.org.au; ph: 03 9483 2470).

Yours sincerely,

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