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## Social Justice Commission

### Proposal 3: Building Back Better: Prioritising investment in renewable energy and social housing in WA

That the Synod to resolve:

**To acknowledge:**

- a) the longstanding advocacy from the Synod, Assembly, and UnitingCare bodies in regards to care for the most vulnerable in our society, provision of social housing, and support for renewable energy;
- b) the important measures taken by both State and Federal Government's to promote and maintain the health and safety of our communities during the COVID-19 crisis;
- c) that to economically recover from COVID-19 requires Government stimulus spending, prioritising job-generation and economic benefit to low-income households;
- d) that to keep within a 1.5°C global temperature rise, an urgent transition away from fossil fuels and towards renewable energy is required.

**To call on the Federal Government to:**

- e) adopt the recommendations of the National Low-Income Energy Productivity Program and allocate adequate funding for implementation;
- f) prioritise investment in renewable energy provision and storage projects and not provide further funding or subsidies to the expansion of fossil fuel projects or related infrastructure.

**To call on the State Government to:**

- g) implement new minimum standards, particularly regarding energy efficiency, for all rental housing;
- h) increase investment in new social housing stock, built to a minimum 7 star NatHERS rating;
- i) refurbish existing social housing stock to a minimum 7 star NatHERS rating;
- j) prioritise access for social housing tenants to renewable energy supply and storage;
- k) prioritise investment in renewable energy provision and storage projects and not provide further funding or subsidies to the expansion of fossil fuel projects or related infrastructure.

Mover: Dr Bob French

Seconder: Rev Sophia Lizares

#### Rationale

The Uniting Church in Australia Assembly and the Synod of Western Australia have always held particular concerns about the most vulnerable in our community as well as minimising our impact on the environment. We see a simple way to address both of these concerns by ensuring that people in social housing can reduce their electricity and gas costs through the provision of energy-efficient housing design, materials and appliances. Furthermore, people in social housing should be the first to access the benefit of localised renewable energy supply and storage.

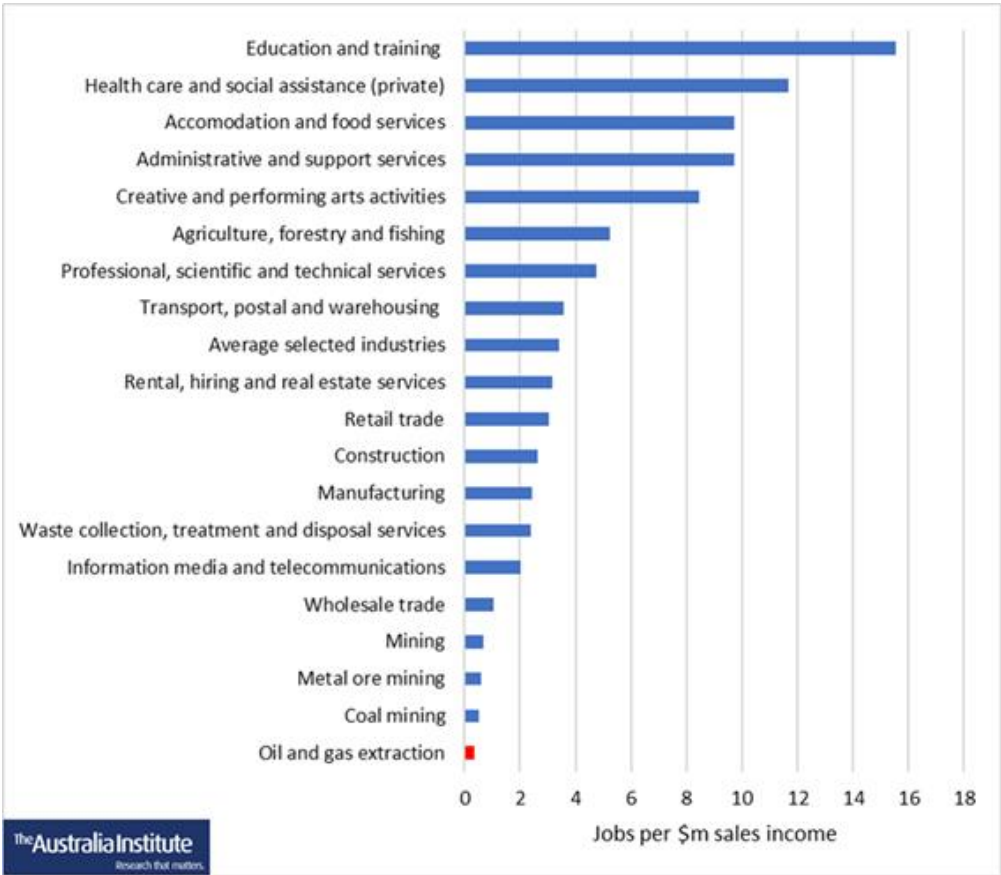
As we recover from the economic impact of COVID-19 we are calling for Government stimulus measures that focus on positive impacts for both the environment and the most vulnerable in our community.

As Christians, the bible makes it clear that we are called to love our neighbour, care for the vulnerable in our community and challenge unjust systems. For a Reconciled World: Justice Statements from UCA 1977 – 2015 section 09.21.02b states that the Uniting Church will “call on [the] Australian Government to develop economic systems and structures which recognise that human and ecological flourishing require much more than the creation of wealth by ensuring that public policy seeks to address first and foremost the wellbeing of all people, especially those most vulnerable, and the environment, including: [iv] the provision of universally accessible and affordable essential services such as water and electricity and [vii] the increase and prioritisation of support for renewable energy over support for climate polluting industries.” These Assembly Justice Statements demonstrate the existing support for the provision of affordable housing and essential services including access to renewable energy.

**Economic Benefit**

Unfortunately one of the main economic recovery options signalled by the Federal Government is investment in an expansion of the gas industry<sup>1</sup>. According to the Australia Institute this would amount to a “squandering” of Australian taxpayer funds as it is likely to yield very limited economic impact.<sup>2</sup> In their view, “Australia’s COVID recovery, and the climate, would be better served by investment in renewables—which are far cheaper and cleaner than gas.”

Figure 1: Job intensity of selected Australian industries (jobs per \$m sales income)



Source: ABS (2020) 81550DO002\_201718 Australian Industry, 2017-18, <https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/8155.02017-18?OpenDocument>

<sup>1</sup> <https://www.abc.net.au/news/2020-05-21/leaked-national-covid-commission-gas-manufacturing-report/12269100>

<sup>2</sup> <https://www.tai.org.au/sites/default/files/P908%20Gas-fired%20backfire%20%5Bweb%5D.pdf>

The [National Low-Income Energy Productivity Program](#) has been developed by a coalition of national organisations, including UnitingCare Australia, to propose an alternative investment option for economic stimulus that targets the lowest income households, creates more jobs, builds more affordable housing and reduces emissions:

“Our **First Principles** includes jobs-rich growth, a focus on people most at risk, a collaborative approach with a regional focus, improving liveability and resilience and reducing carbon emissions.

Our **Criteria** includes targeting projects towards people on lower incomes who are most likely to spend in the economy, projects that generate jobs quickly but deliver long-term security, assist the most disadvantaged regions and deliver long-term social, economic and environmental benefits.

One job-rich **Proposal** that will help people and communities to recover and build back stronger, is to create healthy and affordable homes by improving the energy productivity of low-income existing homes. The proposal has four components:

1. **Social housing** - Federal and state/territory governments provide matching funds to invest in energy efficiency upgrades and solar PV installations for social housing dwellings.
2. **Low-income home owners** - The Federal Government partner with state/territory, local councils and community organisations to provide energy efficiency audits, upgrades and solar PV installations for low-income owner occupiers.
3. **Inefficient rental properties** - Over the next two to three years, COAG Energy Council is working on a proposal to implement mandatory energy efficiency standards for rental properties. In the meantime, the Federal Government could provide grants to landlords to support the upgrade of poor performing rental properties.
4. **Low-income appliance replacement offer** – Governments provide subsidies for low-income households to replace inefficient appliances, or purchase more energy efficient appliances.”

These calls align with recommendations made by the Federal Government’s 2017 Independent Review into the Future Security of the National Electricity Market (the Finkel Review)<sup>3</sup>:

“The COAG Energy Council should engage with relevant portfolio areas including housing, and with state, territory and local governments, to identify:

- Opportunities to accelerate the roll out of programs that improve access by low income households to distributed energy resources and improvements in energy efficiency.
- Options for subsidised funding mechanisms for the supply of energy efficient appliances, rooftop solar photovoltaic and battery storage systems for low income consumers.”

### **Federal Advocacy**

One of the key actions for rebuilding our nation in the recent Assembly statement: [#BuildBackBetter – A Just Recovery Post-COVID 19](#) was to develop initiatives that improve access to affordable housing for all people. This proposal encompasses this initiative by demonstrating that homelessness can be prevented by reducing the high cost of bills through energy efficiency measures and access to affordable renewable energy.

According to the Australian Council of Social Services, renters are almost twice as likely to live in poverty as home owners with public housing tenants at greatest risk.<sup>4</sup>

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<sup>3</sup> <https://www.energy.gov.au/publications/independent-review-future-security-national-electricity-market-blueprint-future>

<sup>4</sup> [http://povertyandinequality.acoss.org.au/wp-content/uploads/2020/05/Poverty-in-Australia-2020-Part-2-%E2%80%93-Who-is-affected\\_Final.pdf](http://povertyandinequality.acoss.org.au/wp-content/uploads/2020/05/Poverty-in-Australia-2020-Part-2-%E2%80%93-Who-is-affected_Final.pdf)

In July of this year, the WA Government announced their economic stimulus of \$2.7 billion designed to boost the state's economy, with a focus on renewable energy and building maintenance<sup>5</sup>. This investment is to be commended. It also needs to be expanded since, as much as it's encouraging to see that there will be solar panels for 500 social housing tenants, we hope the remaining 40,000+ in WA can also be included. In June 2020, UnitingCare Australia signed onto a joint proposal for Economic Stimulus "Healthy & affordable homes: national low-income energy productivity program (NLEPP) that installs energy efficiency and solar in the homes of people on low incomes<sup>6</sup>. In this joint statement, the Social Housing NLEPP project proposes that federal, state and territory governments co-invest to implement energy efficiency upgrades and solar PV installations for public, Aboriginal and community housing dwellings<sup>7</sup>.

UnitingCare Australia recently put out a media release stating their joint alliance with over 50 social, property, business, environment, local councils and research groups who have "banded together to call on Federal and State Governments to stimulate the economy with an energy and solar, low-income housing installation boom". This media release further proves the support from UnitingCare Australia as they focus on prioritising investment in renewable energy and social housing in WA rather than funding or subsidising the expansion of fossil fuel projects or related infrastructure.

### **WA Advocacy**

On behalf of the Synod, the Social Justice Unit has written and engaged with the State Government about improving the energy efficiency of social housing and providing access to renewable energy and storage, stating, "As the WA economy looks to recover from the impacts of COVID-19 we want to ensure that the greatest long-term benefit is gained by requiring environmental sustainability standards in the social housing initiatives your Government has committed to."

The State Government has recently made some positive announcements committing to a number of housing initiatives including construction of 250 new social and affordable homes, refurbishment of 1500 social housing properties, and targeted maintenance of 3800 regional social housing properties<sup>8</sup>. These commitments are encouraging, however the remaining challenge is still significant. According to ShelterWA, Western Australia had a social housing shortfall of 38,500 properties and 9,100 people were homeless on any given night in WA before COVID-19<sup>9</sup>.

For those people who do have access to social housing one of the key challenges for staying healthy and keeping your home is energy expenses. When the existing average building efficiency standard, according to the NLEPP, is 1.7 stars and most of the existing public housing stock in WA (particularly homes built prior to 2012) does not even have insulation<sup>10</sup>, just turning on the air-conditioner or heater can be a difficult decision for many people.

Currently the State Government has a requirement for a 6-star [Nationwide House Energy Rating Scheme](#) (NatHERS) system rating for all new builds. There are now calls from Clean State in collaboration with WACOSS and ShelterWA for this to be increased to a 7.5 star minimum rating for [new builds](#) and minimum standard upgrades for [existing social housing](#).

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<sup>5</sup> <https://www.abc.net.au/news/2020-07-26/wa-government-unveils-2.7-billion-dollar-covid-stimulus-package/12493132>

<sup>6</sup> <https://www.acoss.org.au/wp-content/uploads/2020/06/Economic-Stimulus-Healthy-Affordable-Homes-NLEPP-June-2020-Final-18062020.pdf>

<sup>7</sup> <https://www.acoss.org.au/wp-content/uploads/2020/06/Economic-Stimulus-Healthy-Affordable-Homes-NLEPP-June-2020-Final-18062020.pdf>

<sup>8</sup> <https://www.communities.wa.gov.au/projects/social-housing-economic-recovery-package-sherp>

<sup>9</sup> <https://www.shelterwa.org.au/homelessness-and-social-housing-need/>

<sup>10</sup> <https://bcec.edu.au/publications/energy-poverty-western-australia/>

This proposal also seeks to support calls from the [Make Renting Fair Campaign](#) in WA regarding minimum standards for rental accommodation across a number of areas, including energy efficiency standards. This would impact all rental accommodation not just social housing and would make it clearer for tenants and landlords the basic standards similar to those being implemented in other states such as: having privacy, security, accessibility, sanitation, drainage, ventilation, water and energy supply, facilities and storage. According to Make Renting Fair, most landlords will have no difficulty meeting minimum standards in these areas but they would also need to achieve minimum standards for energy efficiency and climate appropriate housing.<sup>11</sup>

### **Investing in Climate Action**

Additional to the social and health benefits of more and better social housing, there are environmental benefits that can be prioritised in alignment with the Uniting Church's calls for action on climate change. In the economic recovery required after the COVID-19 crisis it is important to take the opportunity to progress the transition away from fossil fuels towards renewable energy.

The Uniting Church WA recently signed onto the [Renew WA Statement](#), asking for a just transition away from fossil fuels towards renewable energy. While the State Government has committed to an aspirational target of net zero emissions by 2050, to keep within the internationally agreed temperature limits interim targets must be adopted.

In 2019 the Synod Standing Committee acknowledged this and resolved the following statement by consensus:

Noting:

- The latest research on the pace of planetary warming and the growing rate of greenhouse gas (GHG) emissions in Western Australia, and;
- The significant policy development currently being undertaken by both the Western Australian State Government and the Western Australian Environmental Protection Authority;

Expresses its concern to the Western Australian Government regarding the approval of any new or expanded fossil fuel projects in Western Australia and requests their commitment to taking responsibility for Western Australia's role in limiting global temperature change to 1.5 degrees Celsius by;

1. Designing and implementing a state-wide strategy to reduce GHG emissions across all sectors of the economy that includes science-based targets to align with the Paris Agreement and requirements to offset emissions;
2. Designing and implementing transition plans to move away from fossil fuels in close consultation with workers and local communities connected to fossil fuel dependent industry.

The economic recovery required by the COVID-19 crisis is an important opportunity to fast-track emissions reductions by prioritising investment in renewable energy and transition planning at both State and Federal levels. Given the push from some sectors for a "gas-fired recovery", as noted above, it is important to include the request that no Federal or State Government subsidisation of fossil fuel expansion occurs. From a social justice perspective, it is inappropriate to attempt to solve one crisis (COVID-19 economic downturn) by exacerbating another (climate crisis). Despite claims about the lower emissions intensity of gas compared to coal, it is still a fossil fuel with significant emissions, and investment in gas will only further delay the transition to renewable energy. According to the latest planning by the Australian Energy Market Operator (AEMO), they are expecting gas to only play a

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<sup>11</sup> <https://www.makerentingfairwa.org.au/wp-content/uploads/2020/02/MRF-FactSheets-Tenancy10-3.pdf>

minor role in Australia’s main energy system over the next 20 years,<sup>12</sup> so significant investments in gas infrastructure is not warranted.

It is Australia’s export market however, which is the biggest driver of Australia’s emissions, in particular the gas industry in Western Australia. According to Climate Analytics:

“In Western Australia, energy and industry emissions are the largest source of greenhouse gases, with CO<sub>2</sub> and methane (CH<sub>4</sub>) emissions from fossil fuel use for energy and industry accounting for 89% of total GHG emissions from the state (excluding LULUCF). The most rapidly growing source of greenhouse gases in Western Australia is the LNG sector, with a more than threefold increase (318%) since 2005, with the sector doubling in size over the last five years and set to increase by nearly 50% by the late 2020s.”<sup>13</sup>

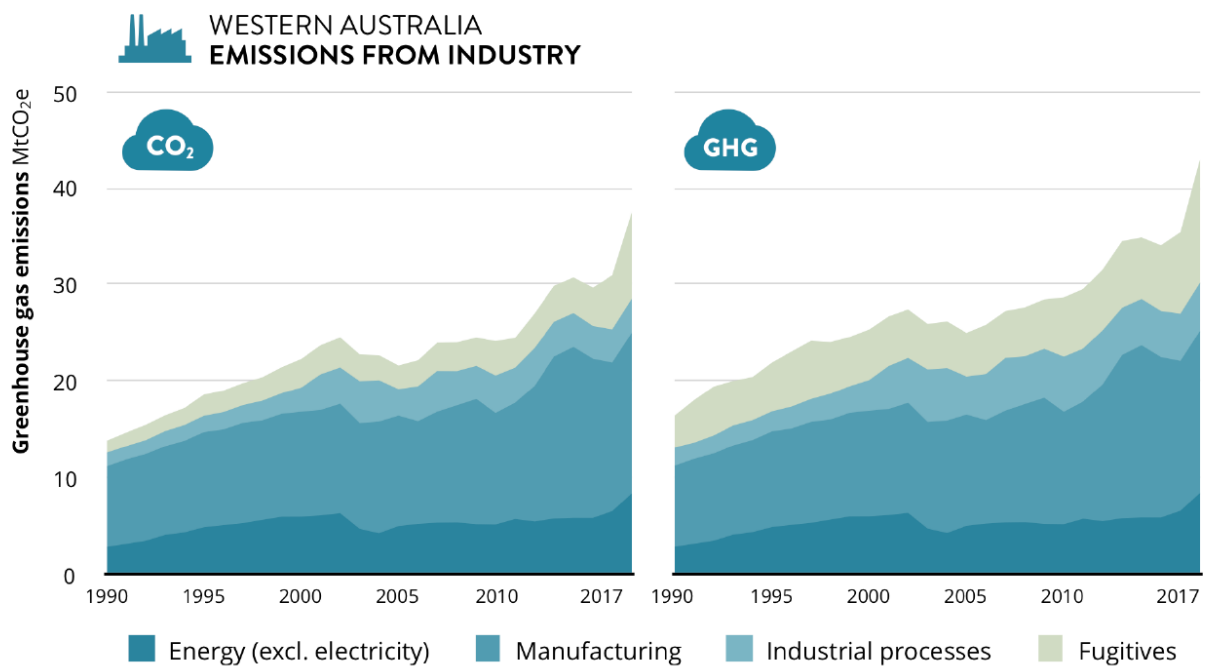


Figure 6 : Historical emissions in Western Australia in the industry sector – CO<sub>2</sub> (left) and all Greenhouse gases (right), with subsectors based on national greenhouse gas accounting. Most of industry emissions are CO<sub>2</sub> emissions, see also

Table 2 and see Annex II for explanation of sectors. Source: AGEIS (2019).

Source: Climate Analytics 2019 - A 1.5°C Compatible Carbon Budget for Western Australia

It is clear that WA’s emissions are tracking in the wrong direction. In contrast the report authors calculate that, “The 1.5°C compatible state level greenhouse gas target for Western Australia estimated in this report is a reduction of 49% by 2030 (from 2005 levels).”

The Social Justice Commission commends this proposal for the sake of the planet and the most vulnerable in our communities. COVID-19 has been a particularly difficult time for everyone, so we offer this proposal as a way of building back better.

**Mover: Dr Bob French**

**Secunder: Rev Sophia Lizares**

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<sup>12</sup> <https://aemo.com.au/newsroom/media-release/isp-2020>

<sup>13</sup> <https://d3n8a8pro7v7hmx.cloudfront.net/ccwa/pages/11568/attachments/original/1576570489/report-carbonbudgetforwa-climateanalytics-2019-web.pdf?1576570489>