

Joint Statement
Towards a Green New Deal:
Enhancing the Nation Building and Jobs Plan

"For everywhere we look, there is work to be done. The state of the economy calls for action, bold and swift, and we will act ... We will harness the sun and the winds and the soil to fuel our cars and run our factories".

US President Barack Obama, Inaugural Address, 20 January 2009.

The US Congress is poised to make the biggest ever government investment in clean technologies, with US\$115 billion (or A\$183 billion) proposed for modernising the electricity grid, improving energy efficiency in houses, businesses and schools, developing batteries for electric cars, improving public transport, developing biofuels and training green-collar workers.

In December 2008, the Southern Cross Climate Coalition (the Australian Conservation Foundation, Australian Council of Trade Unions, Australian Council of Social Service and The Climate Institute) joined with the Property Council, the Australian Institute of Superannuation Trustees and the Australian Green Infrastructure Council to call for a three-pronged green economic stimulus, based around green construction, sustainable infrastructure and green jobs.¹

As representatives of millions of Australians and businesses, in response to the Government's *Nation Building and Jobs Plan*, we now:

- **welcome** the Government's announcement on 3 February 2009 of a \$3.8 billion Energy Efficient Homes Program; and
- call on the Government to **introduce further green economic stimulus measures** at a scale and scope that is comparable to the investments being made in both the USA and China.²

We call on the Government to move Australia towards a Green New Deal, and shape our economy for the challenges of the 21st century as follows:

¹ Statement available at http://www.acfonline.org.au/uploads/res/Green_economic_stimulus_FINAL_w_logos.pdf

² On 19 January 2009, HSBC Global Research issued an analysis of the economic stimulus packages passed or pending in 15 nations, including the United States. It found that these countries plan to invest more than \$3 trillion to stimulate their economies, about 14% of which will be invested in green technologies - defined by HSBC as low carbon power, energy efficiency, water treatment and pollution control. Overall, HSBC calculates:

- about US\$432 billion is earmarked by Governments for green investments among the 15 nations it studied, with about 50% of that amount expected to be invested in 2009.
- US\$115 billion (or 16%) of the proposed \$825 billion US stimulus package targets green investments.

See HSBC Global Research, *The Green Rebound: Clean energy to become an important component of global recovery plans*, 19 January 2009.

Under MEDIA EMBARGO ~ UNTIL 1AM MONDAY 9 FEBRUARY 2009

1. Ensure new Federally funded school buildings and community and defence housing are energy and water smart

The \$21 billion of federal funding³ proposed for school buildings and community and defence housing should be conditional on adoption of best practice energy and water efficiency.

We cannot afford to lump our schools and households with unnecessarily high electricity and water bills. With existing practices and products, simple measures like passive solar orientation and cross-ventilation can allow a far higher standard of energy and water use without causing delays in delivery. This condition will help ensure that new federally funded buildings are comfortable and cheaper to run. It will also assist our design and construction industries to up-skill in new and improved green building practices and products.

2. Build on the promise of the Energy Efficient Homes program

The insulation and solar hot water rollout under the Energy Efficient Homes program should be complemented with wider action to save energy and water at the household level, with particular emphasis on low income households.

Beyond the home, new measures to improve the efficiency of commercial buildings, appliances and vehicles should be introduced. In the commercial building sector, we support accelerated depreciation for substantial investments in energy efficiency and other green technologies.

3. Invest in sustainable infrastructure

We reiterate our call for the Government to bring forward investment in sustainable infrastructure - focusing on public transport, expanded rail networks for freight, renewable and clean energy and sustainable water infrastructure.

Investments in sustainable infrastructure can be shaped to immediately create new jobs and economic activity. For example:

- Investments in rolling stock for public transport systems can provide prompt stimulus for manufacturers;
- Small to medium scale renewable energy installations, such as solar, wind and geothermal plants, embedded across the public estate can provide accelerated stimulus across cities and rural regions and new green jobs due to their labour intensity.

An accelerated infrastructure spend should avoid any over-emphasis on the expansion of road networks, which would leave Australian households vulnerable to international oil prices. Any road expenditure should adopt a "fix it first" policy that instead focuses on maintenance of the road network.

³ The Government proposes to spend \$14.6 billion on school buildings, \$6.4 billion on community & public housing, and \$252 million on defence housing.

Under MEDIA EMBARGO ~ UNTIL 1AM MONDAY 9 FEBRUARY 2009

All infrastructure spending should include incentives and mechanisms that facilitate more sustainable outcomes in the actual design, construction and operation of infrastructure itself.

4. Promote Green Skills, Green Jobs and demand for Green Industries

Australia needs to prepare its workforce for the low-carbon economy of the 21st century. We call for an immediate 40,000 productivity places to be allocated for green skills development, and for Skills Australia to lead a national Green Skills package.

Australia has strong natural advantages and great opportunities for growth in green industries, with great export potential. To develop a lead in these industries, government needs to create the right mix of policies to generate both technology push and market pull.

We are concerned that the current White Paper proposal for the Carbon Pollution Reduction Scheme (CPRS) is too weak to create sufficient market pull for low carbon technologies. By setting the pollution cap for the CPRS at a level that is consistent with stabilising CO₂-e concentrations below 450ppm, and committing to reducing pollution further with the agreement of other developed nations, Australia will not only be playing a global leadership role but also creating the markets that will allow our green industries to thrive.

We also reiterate our calls for a strong 2020 carbon pollution reduction target, that pays due regard to the Intergovernmental Panel on Climate Change conclusion that holding global temperatures to 2 - 2.4°C would require developed countries as a group to reduce emissions by 25 - 40 per cent below 1990 levels by 2020 and for global emissions to peak by 2015.

Signatories:

Don Henry – Executive Director
Australian Conservation Foundation



Clare Martin – Chief Executive Officer
Australian Council of Social Service



John Connor – Chief Executive Officer
The Climate Institute



Sharan Burrow – President
Australian Council of Trade Unions



Peter Verwer - Chief Executive
Property Council of Australia



Fiona Reynolds – Chief Executive Officer
Australian Institute of Superannuation
Trustees



David Hood – Chairman
Australian Green Infrastructure Council

