



## Creating more jobs and safer social housing with energy efficiency upgrades

October 2020

“Is not this the fast that I choose: to loose the bonds of injustice, to undo the thongs of the yoke, to let the oppressed go free, and to break every yoke? Is it not to share your bread with the hungry, and bring the homeless poor into your house?”

Isaiah 56:6-7

“We must reimagine and redefine our success, our progress, as societies and nations according to how well we support what is necessary for the flourishing of all people, including: social housing.”

*An Economy of Life: Reimagining Human Progress for a Flourishing World, A Uniting Church in Australia Statement on Economics, July 2009*

The Uniting Church has always held particular concerns about the most vulnerable in our community, as well as minimising impacts on the environment. Investing in energy efficiency upgrades for social housing will provide immediate relief to cost of living pressures for tenants while also reducing carbon emissions.

Social housing is provided to people on low incomes or with particular needs by government agencies or not-for-profit organisations. Energy efficiency upgrades are one of the most cost-effective measures to reduce emissions while also creating jobs.

### Job creation benefit

According to a 2019 report by Green Energy Markets, investing in housing energy efficiency would be a significant job creation activity. They estimate that over 120,000 jobs could be created through a national energy efficiency upgrade scheme for homes and businesses.

For people living struggling to keep a roof over their head, energy bills for heating and cooling are a major expense. Reducing the cost of gas and electricity bills will mean low-income households can afford other basic necessities and ultimately reduce the risk of homelessness. The Green Energy Markets report calculates that the savings to households alone could be almost \$2.5 billion annually and that:

*Overall gas use would be reduced by 26,322 gigawatt-hours per annum (equal to 94.8m gigajoules), while electricity consumption would drop by 2,381 Gigawatt-hours per annum.*

### Reducing Carbon Emissions

Importantly, energy efficiency upgrades can also create significant reductions in carbon emissions.

According to the Australian Sustainable Built Environment Council's 2016 Report, energy efficiency actions across Australia's building stock could produce a 23 per cent reduction in emissions from buildings by 2030, and 55 per cent by 2050.

### National Low-Income Energy Productivity (NLEP) Program

UnitingCare Australia, along with a number of Australia's housing and care agencies, have called for the implementation of a National Low-Income Energy Productivity (NLEP) Program as part of Australia's economic recovery from the impacts of COVID-19.

The NLEP Program proposes an alternative investment option for economic stimulus that targets the lowest income households, creates more jobs, builds more affordable housing and reduces emissions.

### COAG Energy Council

The NLEP Program aligns with the Council of Australian Governments (COAG) Energy Council's Trajectory for Low Energy Buildings but importantly, calls for an accelerated implementation that focuses on social housing and low-income households.

The latest update on the COAG Energy Council Trajectory plan made in November 2019 indicated that:

*Implementing proposed policies for improving the energy efficiency of existing houses (NCC Class 1 only) in 2025 in all jurisdictions could deliver a net present value of \$3.4 billion and reduce greenhouse gas emissions by 40.3 Mt CO<sub>2</sub>-e by 2050.*



### Existing funding commitments

So far the Federal Government have allocated \$40 million to energy efficiency upgrades for businesses and community groups. The recent Federal Budget saw an allocation of:

*\$52.2 million to improve energy efficiency, lower bills and deliver abatement, including \$24 million to fund building upgrades and reduce energy costs for community groups and for small and medium hotels*

This funding is welcome but is not targeted at low-income households and according to the Energy Efficiency Council, is not considered a sufficient allocation to obtain the greatest benefit available from energy efficiency measures.

### Equal access to solar photovoltaic (PV)

Due to most low-income households not owning their own their own homes, they are generally unable to upgrade the efficiency of their house or install solar PV or batteries. One of the recommendations of the Federal Government's 2017 Review of the National Electricity Market (the Finkel Review) was to address the unequal access to household renewable energy supply and storage. It called for coordinated approaches to:

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

Ensuring low-income households have access to renewable energy (eg. solar PV) would generate a significant additional economic and emissions reduction benefit, above that of energy efficiency measures alone.

Given the dual crises of the economic impact of COVID-19 and climate change, energy efficiency upgrades and renewable energy access for low-income households are a simple way to address both of these concerns. Significant numbers of jobs can be generated. Carbon emissions can be reduced. People in social housing can lower their electricity and gas costs through the provision of energy-efficient housing design, materials and appliances.

### What You Can Do

Write a polite and respectful letter to:

Senator the Hon Anne Ruston  
Minister for Families and Social Services  
PO Box 6100  
Senate  
Parliament House  
Canberra ACT 2600

Hon Angus Taylor MP  
Minister for Energy and Emissions Reduction  
PO Box 6022  
House of Representatives  
Parliament House  
Canberra ACT 2600

Salutation: Dear Minister

Salutation: Dear Minister

Points to make in your letters:

- Thank the Minister for the investment in renewable energy and energy efficiency made in the Federal Budget.
- Ask for greater investment in energy efficiency upgrades for low-income households as a key way of creating jobs, reducing emissions and lowering household costs.
- Request the accelerated adoption and funding of the COAG Energy Council's Trajectory for Low Energy Buildings.
- Ask for the adoption of the recommendations of the National Low-Income Energy Productivity Program to focus the benefit on low-income households, particularly people living in social housing.
- Request subsidised funding to allow access to solar PV and batteries among low-income households.