National Foundation for Australian Women
REAL WOMEN. VISIONARY LEADERSHIP

GENDER LENS ON THE OCTOBER 2022-23 BUDGET

Key Policy in discussion	**CLIMATE CHANGE AND ENERGY**
Portfolio and or agency	**Climate Change, Energy, the Environment and Water; Attorney-General's; Health and Aged Care; Home Affairs**
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Key Portfolio Issues

The October 2022-23 budget delivers a range of new climate change and energy measures. These are broadly targeted, and a number will benefit women in general terms, including disaster resilience and recovery funding; major energy infrastructure investments to support renewable energy generation, carbon emissions reduction, and lower energy bills over the long-term; and a new National Health and Climate Strategy.

The Women's Budget Statement makes welcome high-level observations about the connections between gender and climate change, and signals attention to this area. Detailed analysis, policymaking and funding is now required on gender and climate change issues, including jobs for women in the decarbonising economy, family violence risks during and post-disaster, and income and financial supports, including during a transitory period of very high energy prices.

This is a budget that begins to make up for the utter neglect of climate change action over the past decade, but the Australian Government will need to accelerate mitigation funding and associated policymaking if we are going to limit global heating to 1.5 degrees. Climate change and energy measures should be an integral part of an Australian wellbeing framework, using existing OECD indicators (such as greenhouse gas emissions, exposure to air pollution, and threatened species status), alongside indicators of the socio-economic impacts of climate change.

Budget Measures

A range of new climate change and energy budget measures feature in the October 2022-23 budget. Key measures from a gender and social policy perspective include:

- A suite of measures related to **disaster resilience and recovery**, such as:
    - $630.4 million over 4 years from 2022-23 for disaster resilience projects (Budget Paper No. 2, p. 147)
    - $38.3 million over 4 years from 2022-23 to Disaster Relief Australia to expand disaster relief and recovery activities (Budget Paper No. 2, p. 147)

- $51.5 million in 2022-23 for disaster support in communities particularly impacted by natural disasters, including Queensland communities affected by floods and Victorian communities recovering from the 2019-20 bushfires (Budget Paper No. 2, p. 148)
    - $25.3 million over 5 years from 2022-23 for initiatives to improve insurance affordability and availability, including new partnerships with the private sector and the development of a new national mitigation knowledge base to reduce vulnerability to disasters (Budget Paper No. 2, p. 151)
    - $12.0 million over 4 years from 2022-23 to community legal centres in NSW and Queensland to provide legal assistance to people affected by fire and floods (Budget Paper No. 2, p. 50)
- Investments in **renewable energy infrastructure**, focused on major new transmission infrastructure to connect renewable energy zones, and community-scale solar and battery infrastructure (see also **Industry** analysis):
    - Over $20.0 billion in funding to establish 'Rewiring the Nation', including $20.0 billion in concessional loans and equity for investments in transmission infrastructure; $50.4 million over 4 years from 2022-23 to enable the Clean Energy Finance Corporation to deliver these loans and equity investments; $18.1 million over 4 years from 2022-23 to establish a new Rewiring the Nation Office within the Department of Climate Change, Energy, the Environment and Water to oversee projects/investments (Budget Paper No. 2, p. 72)
    - $102.2 million over 4 years from 2022-23 to establish a Community Solar Banks program, to improve access to solar in regional communities, social housing, apartments, rental housing and other households that are unable to access rooftop solar (Budget Paper No. 2, p. 73)
    - $224.3 million over 4 years from 2022-23 to deploy 400 community batteries across Australia to allow storage and use of excess solar power at the neighbourhood/community level (Budget Paper No. 2, p. 69)
- $3.4 million over 4 years from 2022-23 (and $0.7 million per year ongoing) to develop a **National Health and Climate Strategy** and establish a National Health Sustainability and Climate Unit, to address emerging health risks associated with climate change and coordinate climate change responses across the health system (Budget Paper No. 2, p. 124)
- A range of **First Nations** climate change initiatives, including:
    - $15.9 million over 4 years from 2022-23 to establish the Torres Strait Climate Change Centre of Excellence (Budget Paper No. 2, p. 60)
    - $83.8 million over 4 years from 2022-23 to develop microgrids in First Nations communities, in consultation with community groups and First Nations clean energy experts (Budget Paper No. 2, p. 61)
    - $5.5 million over 3 years from 2022-23 to co-design and commence implementation of a First Nations Clean Energy Strategy in partnership with First Nations communities (Budget Paper No. 2, p. 77)
- $9.3 million over 4 years from 2022-23 to commence designing a **National Climate Risk Assessment** and build climate risk management capabilities and systems across the Australian Public Service (Budget Paper No. 2, p. 58)
- $9.8 million over 4 years from 2022-23 (and $2.6 million per year ongoing) to restore funding to the **Environmental Defenders Office and Environmental Justice Australia** (Budget Paper No. 2, p. 75)
- $45.8 million over 6 years from 2022-23 to increase Australia's **international engagement** on climate change and energy transformation, including the United Nations Framework Convention on Climate Change (Budget Paper No. 2, p. 56).

Policy Issues and Indicators

Climate change will have unique and disproportionate impacts on women. Like other large-scale events (e.g. pandemics), existing inequalities and vulnerabilities are being exacerbated by climate change. The gendered nature of poverty and economic insecurity in Australia leaves women less resilient in general terms.

In the housing area, women are increasingly reliant on the private rental market and comprise the majority of social housing residents, and are therefore less able to adapt to climate change in their choice of housing location and type, and in their capacity to modify their homes (e.g. improve energy efficiency and install solar). Women in these circumstances are more exposed to rising prices for non-renewable grid energy: private and social renters are more likely to be in energy stress than other households, and sole parents – the majority of whom are women – also have a particular vulnerability to energy stress.

Climate change will exacerbate risks of family violence, with the experience of previous disasters (such as the Victorian Black Saturday bushfires) showing that violence tends to increase during and following disasters, driven by gender inequality and gender-related norms.

Women's health and wellbeing is also affected by the impacts of heatwaves in poor-quality private or social rental housing; by higher food prices, with women already more likely than men to experience food insecurity; and by the reproductive health impacts of fires and other disasters on pregnant people.

Another major climate change and gender issue is jobs in the decarbonising economy. At present, most government policies are focused on assisting a largely male fossil-fuel workforce to transition to new industries. The gendered workforce inequalities of the fossil-fuel era will be replicated in a decarbonising economy unless policy action is taken to ensure women benefit from the transition.

Encouragingly, the Women's Budget Statement includes high-level commentary on climate change and gender, stating that the Australian Government is 'taking action to ensure Australia's climate adaptation efforts are socially inclusive and gender responsive, in line with Article 7.5 of the *Paris Agreement*' (Women's Budget Statement, October 2022-23, p. 19). The statement acknowledges that gender indicators for future climate change policy and funding are to be scoped, and that socioeconomic factors such as gender will be included in assessing the capacity of different groups and economic sectors to adapt to climate change, as part of the new National Climate Risk Assessment funded in the October 2022-23 budget.

The October 2022-23 Women's Budget Statement also makes connections between climate change mitigation and women's economic security. It notes that 'decarbonising the economy will create new employment and educational opportunities for women' and cites major energy infrastructure investments as supporting jobs in emerging industries such as renewables and electric vehicles, 'providing women with greater career choice and opportunities for workforce participation' (Women's Budget Statement, p. 45). This welcome inclusion provides a foundation for future policy measures (for example, gender quotas and gender equality measures in energy infrastructure funding and government procurement).

Gender Implications

Women are likely to benefit from this budget's progress on climate change action; however, the scale of this action will need to increase very substantially over the next decade if we are going to limit global heating to 1.5 degrees above pre-industrial levels. The high-level statements on gender and climate change are welcome and provide a launchpad for policy and budget measures over the remainder of the term, particularly once gender-related risks are made visible through the new National Climate Risk Assessment.

In the energy area, major infrastructure investments are positive for women, by reducing carbon emissions and the cost of wholesale energy in the longer-term, and hopefully positioning Australia for a future where renewable energy is abundant and inexpensive—for the reasons explained above, it is women and children who will particularly benefit from lower-priced energy. Rather than being regressively funded via energy bills, it is pleasing to see government fund these infrastructure investments via progressive budget measures.

Community-scale solar and battery measures are also encouraging in seeking to create an inclusive clean energy system that benefits private and social renters as much as private homeowners. Wherever possible, budget measures during the energy transition should favour public and community infrastructure, avoid unproductive or unnecessary private subsidies, and apply a gender lens to spending (e.g. by analysing the gender dimensions of private vs public transport use).

It is disappointing that the budget does not fund financial support for women and others during a period of very high energy prices, fueled by Australia's outdated reliance on gas and coal. That financial support should include increases to JobSeeker and related payments; temporary financial support packages for households at risk of energy hardship; and a large-scale energy efficiency program for lower-income households. These measures could be funded by the redistribution of super profits earned by private energy companies on public gas and coal resources.

Investments in disaster resilience and recovery will broadly benefit women, including funding for NSW and Queensland legal services to support financial resilience, and initiatives to improve insurance affordability. There is a particular need for recovery-stage funding that assists women in the years following disasters, due to the impacts of job loss at the individual or household level, family violence, additional caring responsibilities (e.g. due to injured family members), homelessness and housing insecurity, and ongoing grief and trauma. An effective climate change budget would quarantine and increase funding for the multi-year recovery stage of disasters.

We would like to see a gender and climate change lens applied across government as the October 2022-23 budget measures are implemented. For example, investments in social and affordable housing and the new Housing Accord initiative must be careful not to increase climate change vulnerabilities by building new or inappropriate housing in areas at higher risk of disasters or dangerous temperatures during heatwaves.

It is excellent to see funding for a National Health and Climate Strategy, which is positive for women for the reasons outlined above. However, these budget measures, and broader government policy, are not managing the risks to women's health and wellbeing from increased family violence during and following disasters. For example, the new National Plan to End Violence Against Women and Children 2022-2032 does not deal with climate change issues.

As noted above, women would also benefit from more explicit measures to improve their financial and job security, to support both adaptation to and mitigation of climate change. This should include a comprehensive strategy that identifies job opportunities for women in the decarbonising economy (in the energy sector and beyond, as supply chains, food production, manufacturing etc. transform); income support for women as caring responsibilities shift and intensify during climate change (e.g. following disasters); and job security and fair pay for women in the care economy, as climate change requires additional skills of health and care economy workforces. We hope to see these types of measures transpire from future gender and climate change policymaking and the new National Health and Climate Strategy.

We particularly welcome budget funding focused on First Nations community resilience to climate change and energy supply and security, and hope this funding is increased over the remainder of the term. Any climate change strategy must be grounded in First Nations knowledge of country, and prioritise First Nations economic justice, stewardship and control of land, and self-determined climate change solutions.

Recommendations

The Government should:

- accelerate climate change mitigation funding and associated policymaking in order to limit global heating to 1.5 degrees on pre-industrial levels
- deliver financial support to women and others during a period of very high energy prices, including increases to JobSeeker and related payments, temporary financial support packages, and a large-scale

energy efficiency program for lower-income households, funded by the redistribution of super profits from private energy companies

- increase recovery-stage funding to help women cope with the financial, housing and wellbeing impacts of disasters
- recognise climate change as a family violence risk and develop policy and funding accordingly, and
- ensure women benefit economically from significant government investments in energy systems change, and develop a comprehensive jobs strategy for women in the decarbonising economy.