

# The Hon Lily D'Ambrosio MP Minister for Climate Action



Public Accounts and Estimates Committee  
2023-24 Budget Estimates Hearing  
8 June 2023



Energy,  
Environment  
and Climate Action

# 2023-24 Budget investment that will drive climate action

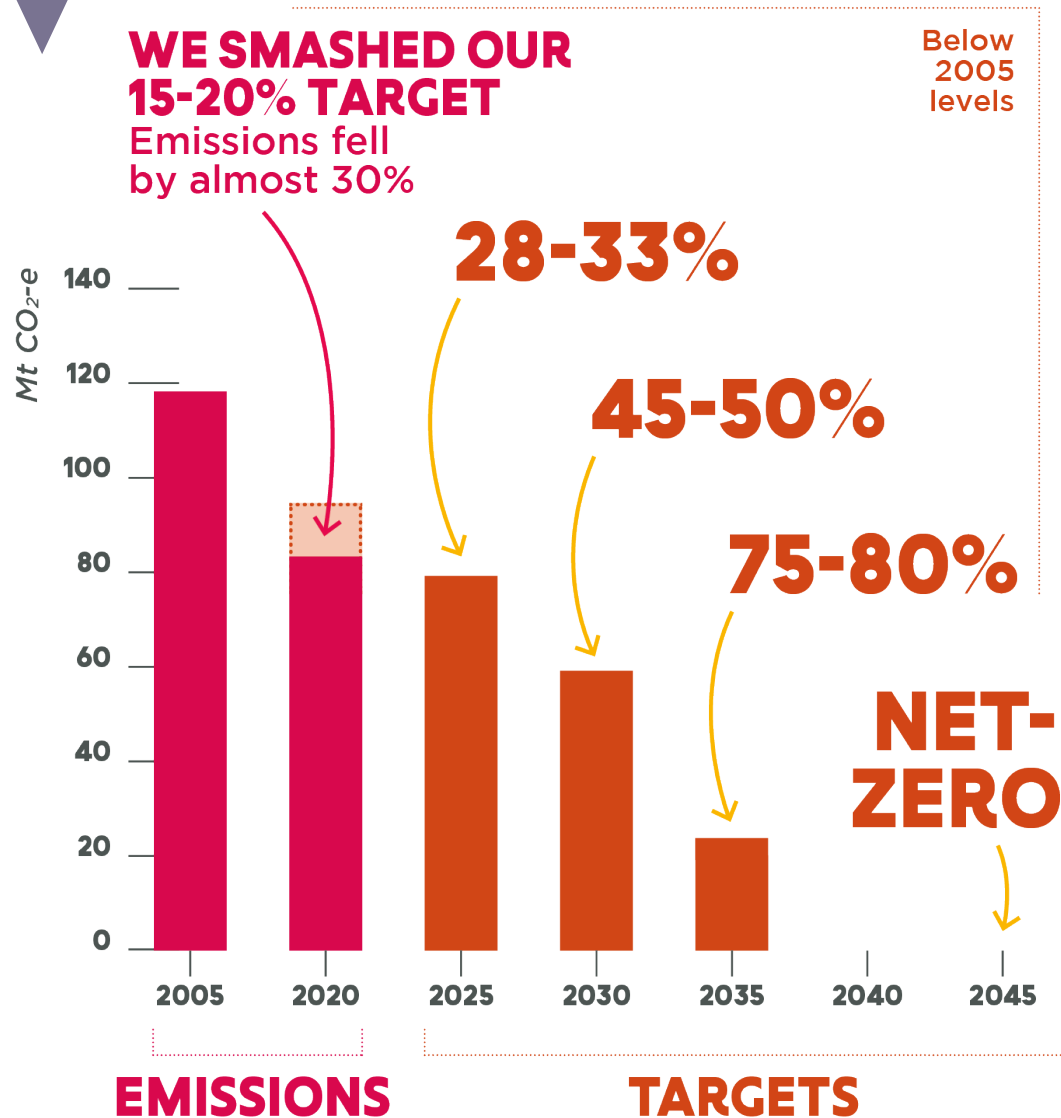
- **\$20 million** over four years for 'Delivering Climate Action' which will support core climate change policy services in DEECA.
- **\$1 billion** to fund investments in new renewable energy build projects
- **Over \$194 million** to support the transition to renewable energy and drive down power bills.
- **Over \$88 million** in the skills and jobs needed for our transition to renewable energy future.
- **Over \$259 million** to drive down transport emissions and support cleaner transport options.
- **Over \$166 million** in climate resilience across the state.
- **Over \$753 million** to better manage emergencies.

**This builds on over \$2 billion** in funding we committed in recent budgets to accelerate climate action through investing in renewable energy, zero emissions vehicles, land restoration and carbon farming, and support for the agriculture sector to respond to a changing climate.

# Over the next four years we will focus on:

- Legislating our ambitious emissions reduction targets of 75-80% by 2035 and net zero by 2045
- Investing in renewable energy through:
  - Bringing back the State Electricity Commission
  - Driving down power bills with the installation of 100 neighbourhood batteries across regional and metro Victoria, providing zero interest loans for solar home batteries and providing rebates for installation of solar systems
  - Delivering the Victorian Renewable Energy Target (VRET) program
  - Developing Victoria's Renewable Energy Zones, MarinusLink and KerangLink
  - Progressing reforms and streamlining regulatory approvals to support our quarries to grow and the minerals sector to deliver the materials we need for net-zero emissions
- Driving down transport emissions through:
  - Rolling out zero emission buses across Victoria
  - Encouraging the transfer of freight from road to rail
  - Funding more trains, more often making it easier to catch public transport
- Revegetating and restoring native vegetation in collaboration and partnership with Traditional Owners
- Continuing to support the agricultural industry to become climate-ready including delivering key programs to build farmer and regional drought resilience
- Improving the health of Victoria's waterways and catchments from impacts of climate change

# Ambitious New Climate Action Targets



- Victoria is the **first jurisdiction in Australia to set a 2035 target** – tabled in Parliament on 16 May
- We have also brought forward Victoria’s **net-zero target to 2045**
- Taking action to meet our 2035 target will deliver **economic benefits of \$63 billion** between now and 2070

# Leading the nation on climate action

## Victoria's world leading emissions reduction targets

**SMASHED** our 2020 target of 15-20%, cutting emissions by almost 30%



### AMBITIOUS

offshore wind targets of 9 gigawatts by 2040, driving the development of Australia's offshore wind energy sector, providing certainty to the market

We've **CUT** our emissions by more than any other state since 2014



**FIRST** jurisdiction in Australia to set a 2035 target



**EARLIEST** net-zero emissions target of any major jurisdiction in Australia - net zero by 2045



### FIRST

state in Australia to power all government operations with 100% renewable electricity by 2025, including all metropolitan trains and trams



### PUTTING ELECTRICITY BACK IN THE HANDS OF VICTORIANS

accelerating renewable energy and driving down power bills by bringing back the State Electricity Commission



### FIRST

gas substitution roadmap in Australia to help cut emissions, slash power bills and provide greater choice for Victorians



### BIGGEST

energy storage targets in Australia of 6.3 gigawatts by 2035 - enough to power around half of Victoria's homes at their peak energy use



Working towards the

### WORLD'S FIRST

pasture-based carbon-neutral dairy farm



**Cutting edge policies and investment**

# The net-zero transition provides an opportunity for:

## New jobs and industries

New, clean manufacturing and production facilities are already being established in Victoria and Victoria's ambitious climate targets will help drive further investment.

Victoria's renewable energy target of 95 per cent by 2035 and energy storage target of 6.3 gigawatts by 2035 are estimated to bring forward around **\$9.5 billion in economic activity** and create **59,000 jobs** over the period to 2035.



## Lower energy costs

Switching from fossil gas to efficient electric appliances will cut energy bills – **savings can be more than \$1,000 per year if households become all-electric** – with higher savings for those who also install solar.

Requirements for new homes to be more energy efficient can deliver household cost savings from \$300 to over \$1,000 a year.



## Economic benefits for Victoria's farmers and Traditional Owners

Land restoration, the energy transition and carbon markets provide new economic opportunities and income streams in sectors such as renewable energy, land management and seed supply. This can diversify revenue streams for Traditional Owners, landowners and farmers, **with flow on benefits to regional communities.**



## Health benefits

Switching from fossil gas to electric cooktops will cut indoor air pollution, helping to reduce respiratory illnesses such as childhood asthma.

Reducing emissions from transport and electricity generation will also **reduce local air pollution, providing health improvements worth an estimated \$5.7 billion between 2035 and 2045.**

## Protecting our environment

Protecting and increasing vegetation in Victoria will reduce emissions, improve air and water quality, reduce soil erosion, increase biodiversity and strengthen nature-based tourism.



# We are adapting statewide systems to build climate resilience

## BUILT ENVIRONMENT



## EDUCATION AND TRAINING



## HEALTH AND HUMAN SERVICES



## NATURAL ENVIRONMENT



## PRIMARY PRODUCTION



## TRANSPORT



## WATER CYCLE



**Improving public assets and services** to withstand extreme weather events

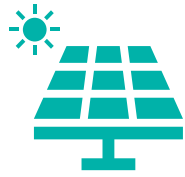
**Adjusting government policies and operations** to prepare for climate impacts and opportunities

**Fostering genuine partnerships with Traditional Owners and Aboriginal Victorians** to embed cultural knowledge in adaptation

**Providing partners, industries and communities** with climate information that informs their decisions

**Helping workers and industries** to develop skills and access technologies that will help Victoria prosper.

# We are embedding climate resilience in everything we do



Delivering energy resilience solutions and make homes more energy efficient



Strengthening water resources and preparing communities for future floods



Supporting our agricultural producers prepare for drought



Addressing erosion and flood risk in our marine and coastal environment



Improving protections for vulnerable species and our wildlife emergency response



Reducing bushfire risk and advance Victoria's approach to managing bushfire



# 2023-24 Budget Estimates Hearing Climate Action Portfolio



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