A Green Budget From Rudd?

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The Rudd Government's first budget contained a number of <u>green initiatives</u> - subsidies for solar hot water and PV, incentives for landlords to insulate homes and more encouragement for rainwater tanks.

They also kept Howard's \$500 million handout to our largest and most profitable industry, the coal industry, which might explain why <u>Bob Brown</u> said the "budget had nothing for renewable energy but was a boon for the coal industry". The <u>Clean Energy Council</u> was more enthusiastic, saying "Australia heads towards a clean energy future one budget at a time".

The budget also expects a surge in farm production and continuing growth in mineral exports.

A push to make households and business more energy efficient underscores spending on the environment in the first Rudd budget. The Government has delivered on its promise of "green loans" to help households become more energy and water efficient but the number of families who might get them will be limited. The low interest loans of up to \$10,000 will help families invest in solar hot water, PV cells and other energy efficient products.

The environment and water budget is heavily focused on climate change committing \$2.3 billion over the next four years to boost energy efficiency, water savings and the development of clean energy technology. Around \$1.7 billion will be put towards a clean energy future but the Labor budget will maintain the \$500 million promised by the Howard Government for a clean coal initiative. Labor does fulfill its promise to put \$500 into a renewable energy fund.

The energy efficiency measures include the introduction of a ten star rating system for new household appliances, measures to help landlords insulate homes for renters to cut their heating and cooling bills and money to retrofit commercial buildings with more efficient lighting, air conditioning and heating. Rebates of up to \$500 will, as promised, be given for the installation of rainwater tanks and the Rudd government will continue with a limited number of rebates for solar PV cells for 6,000 households next year and solar hot water systems. These will be means tested.

The budget confirms \$12.9 billion will be spent on water reform over the next ten years. This includes at least \$400 million over next two years to address the over allocation and water inefficiency in the Murray Darling Basin.

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