10 May 2011

Consultation Support Team Department of Climate Change and Energy Efficiency GPO Box 854 CANBERRA ACT 2601

carbonpricesubmissions@climatechange.gov.au

Dear Committee,

RE: THE PROPOSED ARCHITECTURE AND IMPLEMENTATION ARRANGEMENTS FOR A CARBON PRICING MECHANISM

The Green Building Council of Australia (GBCA) welcomes the opportunity to provide comment on the proposed architecture and implementation arrangements for a carbon pricing mechanism.

The GBCA is Australia's leading authority on green building. The GBCA was established in 2002 to develop a sustainable property industry in Australia and drive the adoption of green building practices. The GBCA promotes green building programs, technologies, design practices and processes, and operates Australia's only national voluntary comprehensive environmental rating system for buildings - Green Star.

The GBCA has more than 900 member organisations, including government departments, which work together to support the Council and its activities. The GBCA is also a founding member of the World Green Building Council, which was established to provide a federated 'union' of national green building councils with a common goal to support the sustainable transformation of the global property industry.

The GBCA supports an holistic and coordinated approach to the challenge of reducing Australia's carbon emissions. It is important that any carbon pricing mechanism should be integrated with the initiatives and complementary measures already in place, such as the National Strategy on Energy Efficiency, the Prime Minister's Task Group on Energy Efficiency, the proposed Tax Breaks for Green Buildings program and the wide range of programs and policies relating to climate change and the environment administered by almost every government department.

We would like to note that there are significant opportunities for carbon abatement within the built environment. While buildings are responsible for almost a quarter of Australia's total greenhouse gas emissions, the building sector also has the greatest potential to deliver emissions cuts, at the least cost, using technology available now.

A report released by ClimateWorks Australia in 2101, for instance, found that Australia can reduce its greenhouse gas emissions to 25 per cent below 2000 levels by 2020 at an average annual cost of AUD\$185 per household, and that this reduction can be achieved using technologies that are available today.

One of the most cost-effective abatement opportunities remains the retrofitting and refurbishment of commercial buildings. The GBCA believes a strong focus on improving energy efficiency in the built environment can support any government efforts to reduce greenhouse gas emissions while supporting jobs growth.

We would be happy to meet with you to discuss ways in which the built environment can contribute to a low-carbon future for Australia; any mechanism around a carbon price should be implemented as part of an integrated strategy, looking at the combined issues of energy, greenhouse gas emissions and carbon in context, rather than in isolation, in order to achieve the most cost-effective and efficient outcomes, without the potential for unintended consequences.

If there is any further information we can provide, please do not hesitate to contact our Policy Coordinator, Katy Dean via email at <u>katy.dean@gbca.org.au</u>, or by phone on 02 8239 6200.

Yours sincerely,

Romilly Madew Chief Executive Green Building Council of Australia

Robin Mellon Executive Director – Advocacy and International Green Building Council of Australia