



MESSAGE FROM

The Ministers



Healthy environment for a healthy economy

This year, like most of the world, we are grappling with multiple challenges: economic, environmental, water, and climate change.

In Australia, with our fragile environment, our climatic extremes and our increasingly threatened water resources, the links between these challenges are inextricable.

In times gone by, governments faced with financial hardship have made choices between environmental and economic values. Today, particularly as the impact of climate change becomes more evident, it is clear that our economic future depends on helping Australian householders live more sustainably in a healthy and resilient environment. We must turn these problems into opportunities.

This document outlines the new measures being implemented since the 2008–09 Federal budget where the government has committed over \$9 billion over five years to energy efficiency, environment and water. The government is making a bigger investment than ever before in the environment as a source of livelihoods, of quality of life, of culture and communities.

We recognise that we must have clean air and water for our future. We must protect our native plants and wildlife and the complex ecosystems that sustain us, from Antarctica to Cape York, and from the Indian Ocean to the islands of the Pacific.

We must act on climate change.

And we must help Australian families live more sustainably, reducing our carbon footprint with energy efficient homes.

Under the Nation Building Jobs plan a massive stimulus to the environment is delivered, including \$4.0 billion for energy efficient homes. The package will help 2.9 million homes currently without insulation improve their efficiency and comfort by installing ceiling insulation – for most of them at little or no cost. This includes rebates to landlords to insulate their rental properties. In addition more than 300,000 households will receive assistance to install solar hot water systems. This is on top of \$339.7 million, since the 2008-09 Budget, for the Solar Homes and Communities plan, which delivers rebates for solar panels in homes, and a reshaped Green Loans Program, under which trained assessors will advise households on the range of measures they can take to save both energy and water.

Under the National Strategy on Energy Efficiency another \$64.6 million will be committed over four years to improving energy efficiency and performance not only in our homes but throughout the community, with measures aimed at greening both residential and commercial buildings, and making it easier for us all to buy cost-saving energy efficient appliances. The National Energy Efficiency Initiative will take the next step, providing up to \$100.0 million to develop an innovative smart-grid energy network, enabling greater energy efficiency and better integration of renewable energy sources. On top of this, the new Climate Change Action Fund will prepare community organisations and businesses for the introduction of the Carbon Pollution Reduction Scheme with targeted assistance and information.

The \$4.5 billion Clean Energy Initiative will significantly accelerate the transformation to a low-emissions future, including \$1.5 billion for the Solar Flagships Program, positioning Australia to be a world leader in solar power generation capacity.

With winter rains unlikely to compensate for many years of drought and mismanagement of water resources in the Murray-Darling Basin, the government has brought forward funding to speed the buyback of water entitlements, developed a new scheme to promote urban stormwater harvesting and will provide extra funding to help small landholders to leave irrigation while remaining on their property.

This year's budget maintains funding at historic levels for the 10-year, \$12.9 billion Water for the Future program to help Australians prepare for and adapt to a future with less water.

Commonwealth parks and reserves will benefit from another \$33.6 million, providing increased protection for biodiversity at the same time as jobs for Indigenous Australians and support for our tourism industry.

Recognising the crucial role Antarctica plays in maintaining the planet's ecological balance and its enormous value to science, the budget commits \$36.9 million over the next two years to the department's Antarctic Division, maintaining Australia's strong Antarctic presence, continuing to operate Australia's Antarctic air service and at the same time ensuring that the Antarctic support industry continues to inject a financial stimulus into the Tasmanian economy.

The crucial role of the Bureau of Meteorology in predicting and analysing our weather, climate and water conditions is recognised too with \$30.5 million over the next five years for a Next Generation Forecast and Warning System and \$48.0 million over seven years for radar enhancement, including the installation of four new weather surveillance radars over five years.

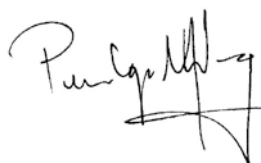
On our oceans, the Oceanic Viking has been funded with \$240.7 million to continue to protect our environmental interests and deter illegal fishing for another four years.

And as we make these investments at home, the government is doing its part abroad, contributing \$100.0 million to the World Bank Clean Technology Fund through AusAID, and collaborating with other countries on carbon capture and storage through the Global Carbon Capture and Storage Institute with \$100.0 million per annum.

The challenges that confront us have raised major questions about the environmental footprint of human activity and the potential for what we can achieve through creative technology and management. This Budget, with its unprecedented level of environmental support, recognises that our supply of natural resources is finite and that we must all take responsibility for moving our environmental impact onto a sustainable path.



The Hon Peter Garrett AM MP
Minister for the Environment,
Heritage and the Arts



Senator the Hon Penny Wong
Minister for Climate Change and Water