

11 September 2018

Submissions
Climate Change Authority
GPO Box 787
Canberra ACT 2600

Re: Review of the National Greenhouse and Energy Reporting (NGER) legislation

UnitingCare Queensland (UCQ) welcomes the opportunity to respond to the Climate Change Authority's *Review of the National Greenhouse and Energy Reporting Legislation* consultation paper.

As the health and community services provider of the Uniting Church, UCQ has supported Queensland communities through aged care, hospitals, disability services, and child and family support for over 100 years.

Since 2011, UCQ on behalf of the Uniting Church Property Trust (Q) has reported under the *National Greenhouse and Energy Reporting Act 2007*. Based on the Uniting Church's mission of environmental stewardship, UCQ is committed to protecting the environment, and using energy and resources wisely. In particular, as an organisation whose services are focused on vulnerable and disadvantaged groups, the inequality caused by climate change makes reducing carbon emissions a priority.

Whilst the NGER Review encompasses a broad range of matters, our submission addresses the following consultation questions:

- Do the NGER Scheme reporting thresholds balance coverage with administrative costs? (Q.1)
- Should the scope of reporting under the National Greenhouse and Energy Reporting Scheme be expanded or reduced, e.g. to include or exclude certain inventory sectors or types of entities who report? (Q.2)
- Is reporting of emissions and energy data meeting the needs of data users and inducing change in business operations? (Q.10)

In summary, it is the view of UCQ that:

- 1) The cost and administrative burden of reporting under the Scheme has a disproportionate impact on the non-profit sector, in particular health and wellbeing organisations; and
- 2) The Scheme has been ineffective in influencing our decision making processes to reduce energy consumption and carbon emissions effectively.

1) The cost and administrative burden of reporting under the Scheme has a disproportionate impact on non-profits

With over 550 sites across eight decentralised service groups, data collection and analysis for the Uniting Church Property Trust (Q.) NGERs reporting is a significant task that requires the equivalent of more than five weeks of full time work. The complexity of the organisational structure, combined with the expertise necessary to undertake robust carbon reporting, requires a specialist role; it

cannot be delegated to an existing administrative role within UCQ. As a non-profit organisation, the majority of UCQ's funding is from Government grants and community support. Therefore, there is a direct opportunity cost associated with resourcing a role to meet the organisation's compliance obligations under the Scheme.

Recommendation

Whilst we acknowledge our responsibilities of reporting under the current legislation, the complexity and value gained is disproportionate for UCQ. As a non-profit organisation, which is heavily reliant on Government grant funding and contributions from the community, the financial burden and expertise in reporting requires further consideration, including:

- Financial support to make the NGERs burden more equitable; and
- Reduced reporting requirements under NGERs for organisations within the non-profit sector.

2) The Scheme has thus far been ineffective in encouraging organisations to manage and reduce emissions

While the NGER Scheme makes it mandatory for large organisations to measure their emissions and energy use, it is UCQ's view that the Scheme has been ineffective in encouraging changes in business operations that reduce energy use or carbon emissions.

Although the safeguard mechanism imposes emissions limits on Australia's largest emitters, the flexible compliance options—for example, purchasing Australian Carbon Credit Units for excess emissions—provide an alternative to internal emissions abatement. Furthermore, for the more than 25,000 non-safeguard reporting facilities, including UCQ, there are no mechanisms in the Scheme that require, inform or encourage emissions or energy management. As a result, UCQ's NGER obligation is perceived to be a compliance exercise, and not the driver for reducing emissions or energy consumption. Instead, emission reductions in UCQ have been motivated by internal business drivers (e.g. cost savings, alignment with organisational values) and the previous Australian Government *Energy Efficiency Opportunities* program.

Recommendation

There is an opportunity for the NGER legislation to go beyond its current function as a data-gathering and decision-making tool for government. The Scheme can also facilitate emissions reductions by embedding value in the reporting process for liable entities. For example:

- Using NGER data to determine and publish industry benchmarks for reporting organisations; and
- Recognising or rewarding organisations that achieve genuine emission reductions.

Should you have any questions relating to this submission, please contact Judene Andrews, UnitingCare Queensland Manager Sustainability, on judene.andrews@ucommunity.org.au or 0418 376 741.

Regards,



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