

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ENVIRONMENT AND HERITAGE

INQUIRY INTO SUSTAINABLE CITIES 2025

RESPONSE FROM THE GOVERNMENT OF WESTERN AUSTRALIA

HOW THE COMMONWEALTH GOVERNMENT CAN HELP STATES AND TERRITORIES ACHIEVE SUSTAINABLE CITIES

While the planning, development and maintenance of Australia's cities are the responsibility of State, Territory and Local Governments, Western Australia believes the Commonwealth Government has a clear role to support the sustainability of those cities.

Western Australia recognises that the Commonwealth Government is already providing funding and other assistance in a variety of ways which help States and Territories achieve sustainable cities, and welcomes such measures (referenced in this submission) as its:

- *National Appliance and Equipment Energy Efficiency* program;
- *Partnership Advancing the Housing Environment* and its *GreenSmart Program*;
- *Photovoltaic Rebate Program*;
- *Renewable Remote Power Generation Program*;
- road and other transport funding programs;
- *Sustainable Cities* program; and
- \$2 million contribution to Western Australia's hydrogen fuel cell bus trial.

In addition, Western Australia is aware that several processes have been or are currently underway nationally which foster sustainable cities, including (referenced in this submission):

- the *National Charter of Integrated Land Use and Transport Planning* which is a high-level agreement between Commonwealth, State and Territory Land Use and Transport Planning Ministers providing the principles, aims and outcomes to facilitate sustainable urban and regional development across Australia through better transport and land use integration;
- a *National Framework for Energy Efficiency* which is a joint States, Territories and Commonwealth initiative being developed by the Ministerial Council on Energy; and
- the *National Summit on the Future of Australian Towns and Cities* to be held in Canberra in June 2004, being organised by the Local Government and Planning Ministers' Council to address the future growth, liveability and sustainability of Australian towns and cities and to develop shared national strategies between all Governments, industry and the community.

The *Sustainable Cities 2025* initiative is one step towards developing a broad understanding of the strategic development issues that will affect cities in the future. However, Western Australia believes the Commonwealth Government should take an increased and on-going involvement in the future, and suggests it does this by:

- setting standards and promoting best practice;
- adjusting the regulatory framework;

- co-ordinating research;
- providing financial assistance through funding and tax incentives;
- providing central, national facilities, at least as interim measures; and
- conducting national education and awareness-raising programs.

Specifically, Western Australia looks to the Commonwealth Government, through consultation with and the involvement of States and Territories, to facilitate (but not be limited to):

- ***The development of a sustainable cities integrated policy framework:***

Achieving sustainable cities requires a totally integrated approach to the many facets involved to ensure that the different policies, instruments and relativities are all working in harmony and not against each other, which often happens when each is considered in isolation from the others. Building the policy framework to achieve this harmony should be the primary focus of this Inquiry.

- ***The management of Greenhouse effects by:***

- aspiring to ratify the Kyoto Protocol on behalf of Australia;
- engaging the States and Territories before ratifying the Kyoto Protocol to clarify the terms and conditions and what it would mean for different jurisdictions; and
- considering Western Australia's unique circumstances when negotiating the nation's position on such agreements.

- ***Bush conservation by:***

- considering the implications for metropolitan areas of the national 30% target retention levels;
- improving incentives (such as tax relief) for private landholders to protect bushland; and
- applying its conservation principles and policies to Commonwealth-owned land in States and Territories.

- ***Heritage conservation by:***

- improving incentives (such as grant aid and tax incentives along the lines of the nature conservation reforms) for owners to conserve their properties;
- implementing the specific incentives and reforms to be considered by the Local Government and Planning Ministers Council in March 2004;
- providing seed funding for *Revolving Funds* for short-term acquisition-conservation-and-resale; and
- improving its agencies' practices in the management of their own heritage property.

- ***Sustainable water management by:***

- providing funding and administrative support for a national approach to water metering;

- funding assistance to the *Premier's Water Foundation* to fund water-related R&D activities in Western Australia aimed at investigating innovative ways of utilising and protecting its water resource; and
- providing funding and administrative support for national officer-level collaboration on:
 - a water allocation planning and licensing policy; and
 - a water conservation and use efficiency policy.
- ***Sustainable waste management by:***
 - providing tax incentives to encourage investment in cleaner production infrastructure;
 - influencing product design by mandating extended producer responsibility provisions or product stewardship programs to minimise product lifecycle impacts;
 - providing a short-term national facility to treat wastes such as PCB's or OCP's, while the supply of these wastes is not economic on a State or Territory basis;
 - establishing targets for waste reduction or reducing end-of-life impacts;
 - identifying and publishing a priority list of eco-efficient products and services for the benefit of consumers and to influence industry;
 - leading by example through its purchasing policies;
 - with the co-operation of States and Territories, establishing a policy of mandatory advance disposal fees, coupled with rebates paid against achievement of reduced end-of-life impacts; and
 - developing and managing market-based instruments to encourage industry to establish resource recovery and other remanufacturing infrastructure, but with the funding allocated to meet local conditions.
- ***Sustainable energy management by:***
 - expanding the range of equipment covered under the *National Appliance and Equipment Energy Efficiency* program;
 - developing a comprehensive energy policy program;
 - leading the development and maintenance a national strategy for transport energy use for public, private and commercial transport;
 - smoothing out future bumps in fuel supplies by increasing Australia's strategic petroleum reserves;
 - diversifying fuel sources by encouraging the use of renewable transport energy supplies and facilitating the introduction of cleaner and locally-produced fuels such as LPG, natural gas, biofuels (including bio-diesel, etc) where there is a clear benefit; and
 - preparing for increased fuel prices and encouraging less expensive transport use by removing the *Goods and Services Tax* (GST) on public transport, reviewing the diesel fuel rebate scheme and reviewing market distortions resulting from taxes such as reduced import duty on 4WD vehicles and *Fringe Benefits Tax* (FBT) on vehicle users.
- ***Sustainable air quality management by:***

- supporting the development of models for greenhouse emission abatement using a framework that includes periodic targets and market driven offset options in keeping with an objective of least cost emissions abatement.
- developing a viable carbon trading market on a national and international basis.
- **Sustainable urban design by:**
 - establishing a new *Better Cities* program that can provide funding, co-ordination and focus on urban redevelopment;
 - providing funding for, and developing a performance measurement system to monitor, Sustainable Urban Design Projects for urban settlements that reduce the need to travel long distances and encourage the use of public transport, cycling and walking; and
 - providing financial incentives to minimise 'greenfield' and encourage 'brownfield' development through modifying *First Home Owners Scheme* grants, direct and indirect tax relief and stamp duty concessions, and location-efficient mortgages.
- **Sustainable transport provision by:**
 - providing funding for, or transferring funding from its road funding programs to, public transport hardware and software in major cities and behaviour change programs to increase public transport patronage, reduce car dependency and the projected increases in congestion levels and free-up road space for more efficient freight movement;
 - investment partnerships with the Private Sector for appropriate transport infrastructure identified in the Western Australian *State Transport Infrastructure Plan*;
 - reviewing all transport- and access-based taxes and restructuring them to encourage sustainable alternatives to the private car, to discourage more and longer trips and discourage the purchase of less efficient cars, by:
 - reforming the FBT to:
 - exempt public transport passes provided by employers;
 - provide FBT-free salary sacrificing for employee-purchased bicycles;
 - increase the rate applied the further the company car is driven; and
 - give wider coverage to parking provision;
 - eliminating the GST on public transport and on fuel used in public transport vehicles to foster greater use, especially for employer-based travel plans;
 - reducing or removing access-based taxes such as facsimiles, internet or telephone services and equipment to encourage their use as travel alternatives; and
 - adjusting taxation to influence employment location to help reshape cities into multi-centred urban environments that reduce the need to travel long distances while increasing accessibility to employment;
 - not increasing taxes on LNG/LPG until a majority of vehicles are using these products;
 - expanding the *AusLink* framework to incorporate and address the logistical problems faced by freight movement within cities and providing additional funding to ameliorate freight movement inefficiencies, fix freight 'hotspots' and to develop purpose-designed freight routes (road and rail) to avoid conflicts with general traffic; and
 - funding initiatives for reducing car dependency through parking management such as cash-out strategies where employees are paid for employer-provided automobiles or given public transport passes by employers to reduce parking demand in workplaces.

- **Sustainable buildings by:**

- incorporating sustainability into the principles and goals of the *Building Code of Australia* to promote water efficiency, waste minimisation, sustainable building materials, re-cycling and re-use, and universal design;
- introducing or amending current Australian Standards to incorporate sustainable building practices;
- providing incentives (such as rebates or tax concessions) for builders to incorporate eco-efficiency innovations such as solar passive design, greywater systems, photovoltaic systems and rainwater tanks;
- supporting the development of eco-efficiency innovations through R&D funding and instruments promoting eco-efficiency innovations, such as accelerated depreciation on the next generation of solar cells;
- restructuring the *First Home Owners Scheme* grants to encourage the construction of sustainable houses;
- developing best practice uniform design standards and guidelines in partnership with industry associations and State and Local Governments to promote and stimulate beneficial change;
- progressively introducing the environmental rating of buildings, and promoting the disclosure of this rating at the time of sale or lease of the building;
- creating mechanisms that allow the market to ‘reward’ innovation through the marketing process whereby a product that has an inherent point of difference can give the company the competitive edge and commercial reward for their innovation;
- recognising sustainable buildings through the sponsorship of major conferences and building awards;
- leading by example and promoting best sustainability practice by only leasing 4-5-star-rated commercial space for Government use, major capital works, demolition and adaptive re-use of buildings;
- supporting the development of a national labelling system for sustainable building materials and design, and, with respect to energy, ensuring it includes embodied energy to fully inform the consumer;
- conducting education and information campaigns and using demonstration and pilot projects to promote the benefits of sustainable buildings to consumers and industry, supported by incentives;
- incorporating cleaner production principles into the construction, refurbishment and demolition of buildings to encourage eco-efficiency, resource use and waste minimisation;
- working with all levels of Government to identify and remove barriers to the use of new materials and innovative building designs;
- building on existing programs through Environment Australia and the Australian Greenhouse Office to encourage industry towards sustainable buildings; and
- using the *Year of the Built Environment* to promote the benefits of sustainable buildings and raising awareness nationally.

February 2004