SMARTER, CLEANER, CHEAPER
LOWERING ON-FARM ENERGY BILLS

The Greens plan to help farmers be more energy self-sufficient & save money

Caring for our farmers means helping them to keep our food fresh and to maximise water savings. Grants for energy efficiency and renewable energy can help.

Some forms of farming and food storage on-farm necessarily involve using a lot of energy, and we rely on them to do so because the energy is used to maximise food freshness and safety, and to maximise water use efficiency.

But that necessary high energy use comes at a cost to farmers, who operate in a tough competitive environment against the rise of cheap imports.

If we want to ensure Australia is always able to produce enough fresh food to feed itself, it makes sense to build resilience through our whole food supply system by encouraging increased energy efficiency and switching to renewable energy.

Helping energy intensive farmers increase their energy self-sufficiency will lower their costs, strengthen the food supply chain, lower our greenhouse gas emissions and build the clean green reputation of Australian agriculture.

> ENERGY EFFICIENCY & RENEWABLE ENERGY TO LOWER FARM BILLS

The Australian Greens will fund $100 million worth of grants to energy-intensive farms to help them upgrade their equipment for maximum energy efficiency, and to install renewable energy to run intensive operations.

These grants for farmers will be an extension of the Clean Technology Food and Foundry Grants Program, which has offered similar grants to food manufacturers, but did not include farmers with high energy use.

The grants will fund:

- **Upgrading of capital equipment** to improve energy efficiency (for example, cold stores, irrigation pumps)
- **Installation of on-farm renewable energy systems** to provide the energy for high energy intensity activities such as irrigation systems, packaging and processing equipment, water heating and sterilization.

> WHO WOULD BE ELIGIBLE?

There grants will be open to agricultural producers who can demonstrate:

- Reliance on high energy intensity from the use of facilities and equipment to ensure food hygiene and freshness such as cold stores, produce heating and cooling, packing and processing and sterilization processes. Good examples would be many producers in the horticulture sector and dairies.
- High reliance on best practice management irrigation systems (generally utilizing high pressure to maximize water efficiency). Given the importance of pressurized irrigation systems in regions reliant on groundwater resources, irrigators in such areas would get priority, however surface water irrigators would also be eligible.
- Eligibility against other relevant criteria already identified through the Clean Technology Grants Program for Food and Foundries.

> HOW WILL ENERGY INTENSITY BE MEASURED?

While the National Greenhouse Gas Inventory doesn't allow for the breakdown of greenhouse gas emissions per agricultural sector (as a corollary of energy intensiveness), there is sufficient information from industry studies to identify those sectors that are particularly energy intensive.

Horticulture and dairy are commonly accepted as the most energy intensive agricultural sub-sectors.

Printed and authorised by Senator Christine Milne, Parliament House Canberra ACT 2600.

> BUILDING RESILIENCE IN OUR FOOD SYSTEM

As part of the Clean Energy Future package, the Clean Technology Food and Foundry Grant scheme was introduced. These grants recognise that Australia's manufacturing sector including food manufacture has both high energy use and significant exposure to import competition – therefore government financial incentives to increase energy efficiency had the dual benefit for reducing greenhouse gas emissions and improving the competitiveness and resilience of a major Australian employer.

However, these grants to food manufacturers were not extended to the agricultural sector that in large part produces the food our local food manufacturers rely on, despite the fact that many agricultural producers also have high energy use and similar exposure to import competition. In fact Australia has been a net importer of food since 2004, and the deficit is growing particularly for horticultural products – increasing by 27% for example in the last financial year.

In terms of emissions, the National Greenhouse Gas Inventory for the latest year (2011) allows the comparison of stationary energy emissions between the agricultural, forestry and fisheries sector, and the food, beverage and tobacco processing sector. Taking into account that these two categories are broad, they nevertheless indicate that emissions from stationary energy use in the agricultural sector are double those of food manufacturing.

A third key argument for extending the grants to energy intense agriculture is the nexus of water and energy efficiency on farm. In general, implementation of best practice irrigation systems can have an unintended consequence of increasing greenhouse gas emissions because they require more energy to run; however increasing water efficiency in Australia particularly for irrigated agriculture is highly desirable, given expected increasing water scarcity impacts in key agricultural regions due to climate change.

With Australia's agricultural sector expected to be one of the hardest hit by climate change impacts, government assistance to increase the resilience of the sector and Australia's food security by improving overall sustainability by targeting improved energy efficiency, water use efficiency and increased deployment of renewable energy is in the public interest.

Switching to renewable energy and increasing energy efficiency also builds Australia's reputation for clean, green and high quality food.

> OTHER PARTIES

The Labor and Liberal Parties have consistently ignored the potential for renewable energy and energy efficiency to help farmers lower their costs and increase their business sustainability.

Neither party has recognised the needs of farmers in tackling greater energy and water efficiency together, nor the public benefit.

No other parties have offered funds or grants to assist energy intensive farmers.

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