

Submission by the Australian Nursing and Midwifery Federation

ANMF Submission to The Productivity Commission on Investing in Cheaper, Cleaner Energy and the Net Zero Transformation

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**Australian
Nursing &
Midwifery
Federation**



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Introduction

1. The Australian Nursing and Midwifery Federation (ANMF) is Australia's largest national union and professional nursing and midwifery organisation. In collaboration with the ANMF's eight state and territory branches, we represent the professional, industrial and political interests of more than 345,000 nurses, midwives and care-workers across the country.
2. Our members work in the public and private health, aged care and disability sectors across a wide variety of urban, rural and remote locations. We work with them to improve their ability to deliver safe and best practice care in each and every one of these settings, fulfil their professional goals and achieve a healthy work/life balance.
3. Our strong and growing membership and integrated role as both a trade union and professional organisation provides us with a complete understanding of all aspects of the nursing and midwifery professions and see us uniquely placed to defend and advance our professions.
4. Through our work with members, we aim to strengthen the contribution of nursing and midwifery to improving Australia's health and aged care systems, and the health of our national and global communities.
5. The ANMF thanks the Productivity Commission for the opportunity to provide feedback on the Investing in Cheaper, Cleaner Energy and the Net Zero Transformation Interim Report (the Interim Report).



Overview

6. Australia's net zero transformation must integrate health, equity and workforce readiness as central productivity enablers rather than treating them as secondary concerns. Climate change is already undermining economic output through illness, workforce disruption and damage to community wellbeing, and without investment in the health sector to respond to climate change these productivity costs are forecast to escalate.
7. The current interim report presently overlooks critical dimensions of climate adaptation and resilience: health, workforce capability, and equity. Climate change is already undermining productivity through surging hospital presentations and service disruption, placing strain on an already stretched workforce. Without embedding these considerations into reform, the productivity benefits of the net zero transition may be limited.
8. Embedding a *Health in All Policies* (HiAP) approach is essential to ensure that climate reforms deliver productivity and equity gains across society. A Health in All Policies approach recognises that decisions made in sectors such as energy, transport, housing and infrastructure inevitably shape health outcomes, whether intended or not. By systematically considering health impacts across these domains, governments can design reforms that not only cut emissions but also reduce disease, improve equity, and strengthen community resilience.
9. To this end, while we recognise the importance of the Commission's proposals across emissions reduction and environmental approvals reform, these measures need further consideration.
10. Reforms must not only focus on cost and efficiency but also account for the lived reality of communities - particularly the health workforce.



1. Reducing the cost of meeting emissions targets

Draft recommendation 1.1 Introduce enduring, broad-based, technology neutral incentives for lower-cost clean energy in the electricity sector beyond 2030.

11. We support the Commission’s recognition that continued decarbonisation is essential and agree that measures must be designed to achieve emissions reductions at the lowest possible cost. However, this continuation must be undertaken in close consultation with the relevant unions representing affected workers and industries and guided by careful evaluation of both economic and social impacts to ensure the transition is just, fair, effective, and sustainable.
12. Looking ahead, it is clear that sectors like health care must be prioritised in job-creation strategies, as they are where the majority of future employment opportunities will emerge.
13. Evidence from the World Resources Institute shows that investments in health system climate adaptation (Social and Economic Inclusion programs as an example) deliver some of the highest economic returns of any sector, with average benefit–cost ratios of over 78%. This reflects the multiple gains of resilient health systems: lives saved, disease burden reduced, continuity of care maintained (even amid extreme weather events), and workforce productivity protected.

Draft recommendation 1.2 The Safeguard Mechanism should cover more industrial facilities and carbon leakage provisions should be improved

14. There is growing evidence that the Safeguard Mechanism is not delivering the level of abatement expected. Reviews have shown that the scheme allows heavy reliance on offsets of questionable integrity,¹ which creates a risk that large emitters meet obligations “on paper” while avoiding meaningful on-site reductions.
15. Concerns have also been raised about conflicts of interest and governance arrangements

¹ Macintosh, A., Butler, D., Evans, M. C., Waschka, M., & Ansell, D. (2023, February 15). Implications of the Independent Review of Australian Carbon Credit Units (ACCUs) and low integrity ACCUs for Australia’s Safeguard Mechanism [PDF]. Australian National University, Law School.



within Australia's offset system. Without independent auditing and enforceable guardrails, the Safeguard Mechanism cannot command public confidence. Regular reviews should not only identify shortcomings but also lead to enforceable reform, ensuring the scheme delivers verifiable emissions reductions.

16. To be effective, and indeed before expansion, the mechanism requires stronger transparency, tighter integrity rules (including measures to prevent conflicts of interests in high emitters having financial stakes in carbon offset ventures), and limits on offset use, so the Safeguard Mechanism achieves its stated purpose rather than facilitating avoidance of meaningful emissions reduction.

Draft Recommendation 1.3 - Introduce an emissions-reduction incentive for heavy vehicles and phase out policy overlaps for light vehicles

17. The PC's recommendation to phase out EV incentives, including the FBT exemption, should be approached with caution. While the New Vehicle Efficiency Standard is a welcome reform, it may not provide the same type of consumer-level incentive as subsidies. Any move to withdraw support, including for Plug in Hybrid Electric Vehicles, requires careful assessment to ensure it does not unintentionally slow the shift away from petrol and diesel vehicles. A considered approach will be essential to maintain momentum towards decarbonisation while infrastructure and market readiness continue to develop.
18. The ANMF supports Option 3 proposed by the Productivity Commission to reform the fuel tax credit rate under the Fuel Tax Credit Scheme. We add, however, that our preference is to cap the fuel tax credit scheme at \$20 million per annum per consolidated group (tax term for all companies controlled by the parent) to ensure that the credit is no longer available for large, corporate entities. A phased scale-back of these subsidies for mining alone would increase government revenue by an estimated \$4.8 billion, funds that could be redirected to health system adaptation, renewable energy, and just transition measures. Redirecting these public funds from high-emitting industries to supporting health system adaptation, renewable energy, and just transition measures would deliver far greater economic and



health returns. Such a reform would not only strengthen the integrity of Australia's climate commitments but also represent prudent fiscal management, ensuring public investment contributes to long-term national resilience.

19. The ANMF adds that while transport is an important focus, the interim report treats this reform area too narrowly, with minimal acknowledgment of health considerations. Additional options for policy reform might include cleaner-air framework (with improved monitoring and regulation under the existing mechanisms) that delivers immediate health and productivity benefits.

Recommendation 1.4: Apply frameworks to achieve emissions targets at least cost and improve transparency

20. The ANMF supports developing national carbon values to guide emissions reduction policies, but stress they must be based on the best available science rather than only on Australia's legislated targets. The ANMF strongly supports lifting Australia's ambition to achieve 80% emissions reduction on the path to net zero by 2035, consistent with the best available scientific evidence on limiting warming to 1.5°C.²

Extended ANMF Commentary 1: Health Sector Emissions reduction

21. Although the PC's current focus is on electricity, transport, and heavy industry, it is critical not to overlook the health sector. Health services both intersect with these policy areas and must themselves decarbonise to ensure Australia's climate response is comprehensive and resilient. Meeting emissions targets requires recognising the health system as both a source

² Climate Action Tracker. (2024). The CAT thermometer. <https://climateactiontracker.org/global/cat-thermometer/>

Rogelj, J., Meinshausen, M. & Knutti, R. Global warming under old and new scenarios using IPCC climate sensitivity range estimates. *Nature Clim Change* 2, 248–253 (2012). <https://doi.org/10.1038/nclimate1385>

Lamboll, R.D., Nicholls, Z.R.J., Smith, C.J. et al. Assessing the size and uncertainty of remaining carbon budgets. *Nat. Clim. Chang.* 13, 1360–1367 (2023). <https://doi.org/10.1038/s41558-023-01848-5>

Climate Council of Australia Ltd. (2025, July). *Stronger target, safer future: Why Australia's 2035 climate target matters* (ISBN 978-1-923329-18-8 [print], 978-1-923329-19-5 [ebook]). <https://www.climatecouncil.org.au/wp-content/uploads/2025/07/Climate-Council-Australia-2035-Climate-Target-Report.pdf>



of emissions and an area of opportunity. Health care is responsible for between 5% and 7% of Australia's emissions yet remains largely absent from national mitigation strategies.

22. A key opportunity lies in strengthening primary care and reforming scope of practice for nurses and midwives. Current inefficiencies mean many patients are funnelled unnecessarily into hospitals, which produce relatively more greenhouse gas emissions per patient care episode. By expanding primary and community care, and enhancing optimisation through enhancements in workforce reform, emissions may be reduced while simultaneously improving access and care outcomes for patients.
23. In the acute sector, hospitals require investment in electrification and renewable energy. Investment in hospital electrification and on-site renewables with battery storage is urgently needed. During the Tasmanian storms in September 2024, more than 47,000 Tasmanians lost power at once, with some communities experiencing outages that lasted over a week. Hospitals were forced to rely on diesel generators while many community members, including those dependent on medical devices, were left without electricity. On-site solar generation and battery storage would have reduced reliance on diesel and ensured seamless backup power. Further, having more distributive primary health centres equipped with the same on-site setups may further reduce the disparity between institutional resilience and community vulnerability. Accelerating the rollout of renewables and energy storage in health facilities, both acute and primary, is therefore critical both for cutting emissions and safeguarding continuity of care during extreme weather events which are themselves increasingly more common and severe due to climate change.

2. Speeding up approvals for new energy infrastructure

Recommendation 2.1 – 2.3

24. The ANMF supports effective regulation that provides clarity and consistency in approval processes and recognise the importance of establishing strong national environmental standards to guide decision-making and ensure balanced outcomes.



25. The current reform agenda for the Environment Protection and Biodiversity Conservation (EPBC) Act rightly includes stronger environmental protections, more efficient approvals, and a consolidated national environmental regulator. However, a critical omission remains: the Act still lacks an explicit requirement to assess climate change impacts or align project approvals with Australia's emissions reduction targets. This deficiency undermines both environmental integrity and long-term resilience.
26. Including a climate trigger in the EPBC framework would shift the Act from a narrow "project-by-project" assessment to one that requires decision-makers to evaluate how proposals affect Australia's climate commitments and how changing climate conditions impact biodiversity and key environmental assets. Even with current reforms including national environmental standards and regional planning, without a specific climate lens, approvals risk supporting infrastructure and developments incompatible with long-term climate change mitigation and adaptation needs.
27. Embedding climate considerations into the EPBC Act, such as requiring greenhouse gas emissions estimates for any major project, or evaluating cumulative climate risk, would ensure that environmental approvals are future-proofed and consistent with national climate goals. This reform is critical for delivering both environmental and economic productivity aligning Australia's environmental governance with its broader climate ambitions.

3. Addressing barriers to private investment in adaptation

Recommendation 3.1 Set up a climate risk information database covering all climate hazards

28. We support the development of the national climate risk and resilience database as a valuable tool to enhance transparency and provide agency for individuals and communities. However, its effectiveness will depend on being backed by appropriate supports and resources to ensure that impacted communities can understand, engage with, and act on the information provided. For example, expanding the existing Disaster Ready Fund (DRF)



to significantly increase funding for health care services, local government associations and community-based organisations to deliver adaptation measures on-the-ground is needed. Presently there are gaps within the DRF that make it difficult for community groups to access funding in a way that would meet the needs of the community. Health Services and Community organisations have been locked out of the DRF by stringent matched funding requirements and a focus on ‘hard’ infrastructure upgrades.

Recommendation 3.2 Develop a nationally consistent climate resilience rating system for housing

29. While the proposal of a resilience rating system for housing is theoretically sound, there is a strong risk that this approach could place the burden of adaptation onto individuals with limited capacity to comply. Renters in particular have little agency to modify their homes, leaving them disproportionately exposed to climate risks. For low-income households, the financial inability to retrofit homes not only undermines resilience but also risks devaluing property and raising insurance premiums – burdens that are carried by individuals, creating compounding disadvantage.

Recommendation 3.3 Governments should agree on a series of actions to improve housing resilience over time

30. Around two-thirds of the nation’s housing stock remains susceptible to increasingly frequent and severe heatwaves. Existing Australian homes only have an energy efficiency rating of 1.7 stars on average,³ which makes them vulnerable to heat stress. Subsequently, the existing housing stock is evidently ill-prepared for forecast climate impacts, which leaves millions of Australians at risk. Despite this, the National Construction Code (NCC) still lacks comprehensive provisions to ensure that the millions of new homes expected to be built across Australia are designed to withstand projected climate impacts.

³ Australian Council of Social Service. (2019). All Australians deserve a healthy, safe, affordable home (Appendix 1). ACOSS. <https://www.acoss.org.au/wp-content/uploads/2019/11/Appendix-1-All-Australians-deserve-a-healthy-safe-affordable-home.pdf>



31. Reform of the building code accompanied by strong national standards, would ensure resilience is embedded from the outset rather than left to individual households. Encouragingly, some builders are already demonstrating leadership by developing passive and climate-resilient homes; this leadership should be supported and scaled nationally.
32. The ANMF would be supportive of increased climate resilience and energy efficiency measures in the NCC to reflect net zero targets and forecast climate impacts. In addition, improving the resilience of existing housing by expanding subsidies for home retrofits (especially for low-income owners and renters) introducing minimum efficiency and resilience standards for rental properties would be effective in minimising the inequitable supports available for the public to withstand the impacts of climate change.

Recommendation 3.4 Give the Climate Change Authority responsibility for monitoring, evaluation and learning regarding adaptation policy

33. We recognise the value of assigning clear responsibility for adaptation policy and support the proposal for the Climate Change Authority to take on this role. Centralising oversight in an independent body can help ensure adaptation planning is evidence-based, transparent, and aligned with national climate objectives.

Extended ANMF Commentary 2: Government investment in Adaptation and Resilience

34. We commend the initiative of government in recognising the importance of adaptation and resilience in the face of climate change. However, the interim report frames adaptation predominantly as a matter of private investment. This approach is limited. Governments have a responsibility to ensure that all people can adapt to the impacts of climate change. Private measures alone often fail to address the needs of the most vulnerable. Effective adaptation requires joint investment from both the public and private sectors.
35. Additionally, the Australian Government should seek to expand the Sustainable Finance Taxonomy to incorporate resilience. Legislating the National Adaptation Plan and



developing sector-specific pathways analogous to the Net Zero plan will increase investor certainty and signal areas with potential for investment.

Extended ANMF Commentary 3: A resilient health system

36. A coordinated, well-resourced health sector response is essential to climate resilience. Frontline workers, particularly nurses, midwives and care workers, must be included in national planning processes. To date, these groups have been largely sidelined in discourse on climate adaptation, despite their critical role in responding to extreme weather events and maintaining community health wellbeing.
37. Any robust measure of productivity must factor in health burden and workforce burden imposed by climate change. To omit these costs is to underestimate the economic risks of inaction and underinvestment in health resilience.
38. One of the most significant omissions from the interim report is the lack of attention to the National Health and Climate Strategy (NHCS). Health is consistently excluded from major climate financing mechanisms, both domestically and globally, despite contributing directly to productivity. Less than 5% of global adaptation finance is directed to health, and under 1% supports health-specific projects. Australia reflects this global shortfall: despite the launch of the NHCS in December 2023, no substantial Commonwealth funding has been allocated for its implementation. This leaves health services fragmented, governance underdeveloped, and the workforce without coordination or readiness.
39. Infrastructure alone cannot deliver climate adaptation and resilience. Without governance structures, trained personnel, and coordination, planning for climate impacts may be impeded. Investment in governance, training, and workforce preparedness ensures that hospitals, clinics and networks are resilient in practice, not just in design.
40. Funding the NHCS would:
- Enable health services to prepare in a considered and systematic way, rather than



relying on improvised responses during crises. This preparation could extend across all services, from acute hospitals to primary and community care.

- Support the creation of new jobs in healthcare. For example, positions such as Clinical Nurse/Midwife Consultants for Climate Change, Clinical Nurse/Midwife educators, Nurse/Midwifery Climate Change researchers, Sustainability Clinical Leads and Climate Change Officers might function to conduct community-level health vulnerability assessments; develop and deliver sustainability strategies with workforce consultation; integrate climate planning into health service delivery; and ensure that people with complex health needs are not left behind during extreme weather events. Such roles cannot remain discretionary “add-ons” for better-resourced jurisdictions; they must be embedded across state and territory jurisdictions with national consistency to deliver consistent and equitable protection.
- Create capacity to examine climate change shocks and stressors to the health system and plan accordingly. For example, health service supply chains are highly vulnerable to climate disruption, yet currently there is limited capacity in the health sector to plan for these risks in a coordinated way.

41. Productivity must be reframed to recognise that a productive economy depends on a healthy workforce. Climate change threatens this by exposing workers to greater physical and psychosocial risks, and by disrupting the health systems they rely upon.⁴ When the health workforce is under strain, even without additional climate pressures, care delivery is compromised, and patients cannot return to work or community as quickly. Extreme weather events amplify this strain, reducing workforce availability and lowering sector-wide productivity.⁵

42. Legislation and governance must evolve to reflect the realities of climate risk. For example,

⁴ Updated Assessment of Occupational Safety and Health Hazards of Climate Change. Journal of Occupational and Environmental Hygiene.2023

⁵ Dillender, M. (2021). Climate change and occupational health: Are there limits to our ability to adapt? Journal of Human Resources, 56(1), 184-224. <https://doi.org/10.3368/jhr.56.1.0718-9594R3>



Work Health and Safety regulations should be updated to include climate-related risks explicitly, ensuring that both employers and employees are adequately protected in a changing climate. We would support the development or strengthening of WHS regulations covering major climate hazards at work including extreme heat, indoor and outdoor air quality, inclement weather, and vector-borne illnesses.