



Senate Standing Committees on Economics
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14 July 2014

To whom it may concern

It is with great pleasure that I forward to you Deakin University's submission to the Senate Economics Legislation Committee: Australian Renewable Energy Agency (Repeal) Bill 2014.

Deakin University's mission is to conduct research that makes a difference to the communities we serve, and provide students with a globally-connected education for the jobs of the future. Deakin believes that we need to invest in Australia's future and by maintaining ARENA it boosts our ability to compete in one of the world's most rapidly expanding markets.

I commend the attached submission to the Committee.

Yours faithfully

Professor Jane den Hollander
Vice-Chancellor



**Submission to the Senate Economics Legislation Committee:
Australian Renewable Energy Agency (Repeal) Bill 2014**

Deakin University, Victoria, Australia

As Australia's ninth largest university, Deakin's mission is to conduct research that makes a difference to the communities we serve, and provide students with a globally-connected education for the jobs of the future. We believe that, regardless of any current challenges, we must relentlessly look to the future, building and investing today toward the creation of the Australia of tomorrow. With this as our mindset it is perhaps unsurprising that we see the proposed abolition of the Australian Renewable Energy Agency (ARENA) as a regressive step.

Deakin University has not received any funding from ARENA. We oppose its abolition because, like our own institution, we see it as an instrument that Australians can use to create a secure economic future for our country.

Regardless of any debate over the occurrence or cause of climate change, government investment in renewable energy (RE) technology makes eminent economic sense. This is particularly so in Australia, where private funds for research, development and proof-of-concept deployment (RDD) at the level required for mid- and large-scale RE production are insufficient. This precisely the area in which ARENA is so critical, supporting major deployment initiatives such as the Perth wave energy project, the Cooper Basin non-volcanic geothermal project, and the Broken Hill and Nyngan solar photovoltaic power station projects – initiatives that allow Australia to develop and demonstrate RE expertise we can sell to the world.

The world is hungry for energy that is cheap, sustainable, and environmentally friendly. The ability to develop and commercialise RE technology can provide us with enormous international business opportunities - just when our traditional manufacturing sector is in decline. Australian researchers lead the world in many areas of RE technology, and there are others where we have the potential to go much further, energy storage being a critical example. However, without government investment in RDD, the bulk of the IP and jobs will go overseas – just as we have seen before.

Deakin's experience is that industry investment in new ideas and technology often stumbles at the hurdle of affordable energy. In our view international investment will look elsewhere unless there is a change to this situation. We are becoming isolated from participating in some of the key innovations occurring around the world because we are perceived as slow and expensive on the energy front.

The opportunity to boost export earnings, improved mid-scale RE technology could significantly boost rural and remote development in Australia. Whether it be remote-location communities, townships, or mining operations, costs can be driven down and economic competitiveness driven up by local RE generation rather than resorting to diesel generation plants, or expensive-to-build and expensive-to-maintain extensions to the National Electricity Grid. And of course, if we can demonstrate it in rural and remote Australia, it immediately opens up commercial opportunities in countries, like India, that have abandoned the idea of a National Electricity Grid in favour of local RE generation with micro-grid distribution.

Deakin University believes that we need to invest in Australia's future. Maintaining ARENA does this by boosting our ability to compete in one of the world's most rapidly expanding markets: RE technology.

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