

VECCI's business sustainability products and services for small businesses

Compass

Carbon Compass, an exciting initiative from Carbon Down, is a web based community of businesses and organisations sharing their sustainability and carbon reducing knowledge, experience and practical solutions.

Visit www.carboncompass.com.au or call 03 8662 5490 to register your business.

Grow Me The Money

A 12-step program, Grow Me The Money will take your business through strategies to reduce your carbon footprint, save money and report credibly on your savings to customers, staff and the community. Grow Me The Money participants save on average \$7019, across all three utilities, and deliver over 60 tonnes of carbon abatement (from a sample of 288 business participants).

Join Grow Me The Money today at www.growmethemoney.com.au or by calling 03 8662 5333. Prices start from \$99 and are tax deductible.

Sustainability Consulting

Experienced VECCI Sustainability Consultants can show you how to achieve great outcomes for your business, your community and the environment, with expertise in:

- Sustainability strategy and policy development
- Environmental opportunity assessment
- Action planning and implementation
- Carbon footprint assessment.

VECCI consultants come to you, saving valuable time, and their assistance is tailored to your unique circumstances. Visit www.vecci.org.au/sustainability or call 03 8662 5480. Discounts apply for VECCI members.

Sustainability Training

Want to know more and learn from other businesses? In a new era of 'green choices', VECCI's dedicated training and briefings can help your business reduce its environmental footprint, save money, and give you a competitive advantage. Delivered throughout Victoria, prices start from just \$49.50.

The following programs are currently available:

Carbon Management 101: cutting through the carbon jargon. Who should attend? All small business representatives interested in climate change, carbon management practices as well as identifying opportunities for making environmental and financial savings.

Sustainability in Action workshop: hands on sustainability practices for SMEs. Who should attend? Small business representatives interested in tools and techniques that assist to track their resource use and realise financial savings.

Creative Thinking and Sustainability workshop: Your sustainable edge in changing times. This half-day workshop is packed with practical tips and hands on examples demonstrating the four cornerstones of creative thinking and uniting these with opportunities for sustainable business practice. Who should attend? All business representatives interested in smarter decision-making and sustainable business practices.

Green Office Briefing: simple steps to green your office. This two hour briefing is for SME's and larger businesses who wish to educate their staff regarding electricity consumption, paper use, waste disposal and purchasing practices in the office. This interactive briefing empowers staff to take immediate action in implementing green office practices.

To book, visit www.vecci.org.au/training or call VECCI on 03 8662 5333.



VICTORIAN EMPLOYERS' CHAMBER OF COMMERCE AND INDUSTRY

IR ADVICE

TRAINING

NETWORKING EVENTS

TOOLS & TEMPLATES

ADVOCACY & REPRESENTATION



small business and climate change what affects you and what you can do



Accommodation

Drivers of change for small to medium accommodation businesses

- Changes in the energy market are putting pressure on energy prices, and will also increase the costs of inputs that are energy-intensive to produce
- For accommodation businesses, key price increases will occur for:
 - Energy and water
 - Agricultural products (food and beverages)
 - Cleaning products
 - Paper and cardboard products and plastic packaging.
- Energy efficiency standards for new buildings are also likely to increase.

What you can do

- Review your exposure to increased prices and adjustment costs, and that of your competitors
- Reduce costs by reducing your energy and water use and waste generation. You can do this by:
 - Improving the energy efficiency of your lighting, heating and air conditioning systems
 - Recycling or composting waste.
- Explore new marketing opportunities, like improving the energy efficiency of your building(s) and obtaining an accredited energy efficiency rating.

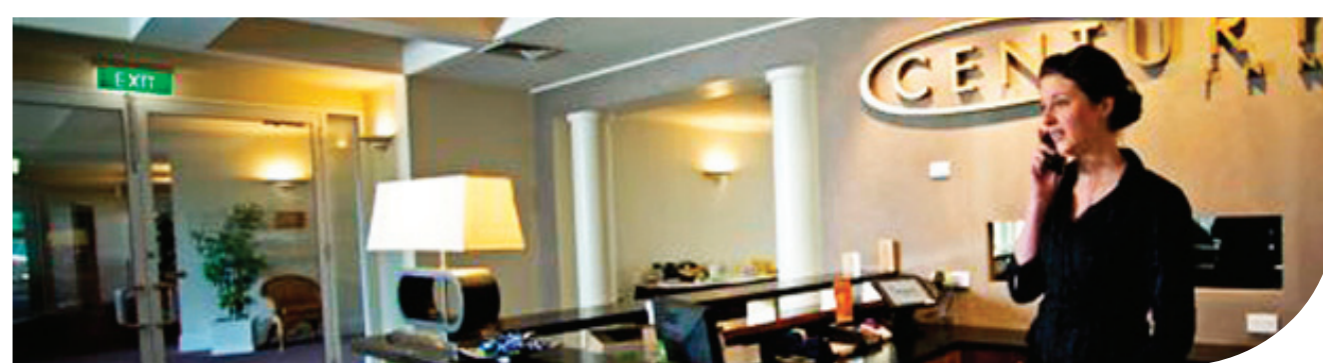
Fact sheets in this series

General climate change information:

- Drivers of change affecting small business
- Weathering climate change impacts
- Changing climates for large and small consumer markets.

Sector-specific climate change information:

- Accommodation
- Business and professional services
- Cafés and restaurants
- Manufacturing
- Retail and wholesale trade
- Tourism
- Transport.



Climate change impacts

Small to medium enterprise (SME) accommodation businesses will be impacted by rising energy prices from changes to the energy market and climate change policies and changing consumer preferences. The physical effects of climate change will also have some flow-on effects, in particular through increasing water prices. The extent of impacts on your business may depend on the type of service and the region in which your business operates.

Impacts on SME accommodation businesses are closely linked to tourism. Specific impacts on the tourism industry are addressed in the tourism fact sheet in this series.

Adjusting to climate change policies and energy and water prices

Energy price increases

Increased energy prices will have a direct impact your energy bill and also indirect impacts through increases in the costs of energy-intensive inputs such as:

- Agricultural products (food and beverages)
- Cleaning products
- Paper and cardboard products and plastic packaging
- Water.

Climate change, water, energy and the food industry – what you need to know

Agricultural production requires a significant amount of energy – in the form of direct use for running machinery and indirectly through energy-intensive production inputs. The price effects of changes to energy markets – particularly increased fuel, energy and fertiliser costs – will increase production costs for the agricultural producers.

The physical effects of climate change will also have impacts on the agricultural sector. Lower levels of rainfall, water allocations and water security issues will increase water prices and production costs and affect the viability of producers or individual businesses.

These impacts are likely to lead to increased costs of production for the agricultural sector and increased food and beverages prices for accommodation businesses, cafés and restaurants.

Energy efficiency standards

The Government has proposed to increase the stringency of energy efficiency standards for appliances. Changes will increase the availability of information about energy efficiency and assist you in making decisions when purchasing appliances such as air conditioners, clothes washers and dryers, refrigerators and dishwashers.

The Government has also proposed to increase the stringency of energy efficiency standards in the Building Code of Australia for new buildings as well as major refurbishments. The standards apply to a range of building materials including fabrics, sealing, water and space heating, ventilation and air conditioning.

What you can do in your small business

No regrets to improve energy efficiency

In all cases, we recommend identifying and implementing ‘no regrets’ actions. No regrets actions are those that will benefit you regardless of the impact of climate change policies.

Energy efficient appliances and equipment may be more expensive up front, but can result in savings in energy and water costs over a short period of time, ensuring you recover your initial investment and reap ongoing savings.

Some simple actions that can be taken to reduce your energy use and minimise the impact of increased energy costs on your business include:

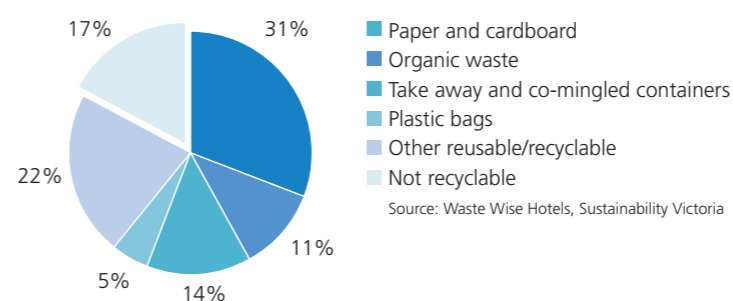
- Maximising the use of natural ventilation and insulation to reduce air conditioning and heating
- Setting cooling temperature to as high as possible, and heating temperature to as a low as possible. An increase of 1°C in cooling temperature or a decrease of 1°C in heating temperature can reduce energy use by up to ten per cent
- Optimising the operation of your existing heating, ventilation, and cooling system or installing a more efficient system
- Investing in movement sensors or timer switches to reduce unnecessary lighting use, and installing energy efficient lighting
- Ensuring refrigerator door seals are effective and placing refrigerators in well ventilated areas
- Turning off computer and television monitors when not in use, and upgrading to LCD or LED screens to significantly reduce energy consumption.

No regrets to cut down on waste

In addition to creating land-fill, solid waste releases greenhouse gas emissions as it decomposes. Reducing your waste can be an effective way to minimise costs, and also an effective marketing strategy in terms of increasing your credentials as an environmentally sustainable business.

The majority of waste for accommodation businesses comes from packaging and food containers (paper, cardboard, and plastics) and organic waste from food scraps.

Hotel waste composition



Activities that can be taken to reduce waste and waste disposal costs include:

- Separating and recycling as much of your waste as possible (glass, paper and most plastics). Research on waste composition of Melbourne hotels has shown that most of the items sent to landfill can be recycled¹
- Composting can also be an effective way to deal with organic waste (and is increasingly available to commercial premises)
- Using re-usable rather than disposable utensils, tableware, and packaging where possible.

Renewable energy at your place?

Under the renewable energy target, small businesses are able to purchase and gain recognition of their small-scale generation systems. Owners are typically credited upfront for the estimated future renewable energy output of their renewable energy system, with this credit often incorporated as a discount on the purchase price.

Discounts vary by system, location and the price of renewable energy certificates, but typically are around \$1000 for water heating systems and up to around \$6000 for solar PV generation units.² From January 2011, a guaranteed price of \$40 will be paid for each renewable certificate created by small-scale systems.

Small-scale solar PV systems may also be eligible for state-based feed-in tariff payments. The rates and arrangements differ by state and are paid according to the amount of power exported back to the grid (a ‘net’ feed-in tariff), or the whole amount of power produced by the system (a ‘gross’ feed-in tariff in ACT and NSW only).³

1. Sustainability Victoria (2006), *Waste Wise Hotel Toolkit*, Melbourne, p.7
 2. Department of Climate Change (2010), *Fact Sheet – Enhanced Renewable Energy Target*, March
 3. Energy Matters: Feed In Tariffs (2010) <http://www.energymatters.com.au/government-rebates/feedintariff.php#fit-table>
 4. *Thermometer Survey Update: Our Community's Response to Climate Change*, 13 March 2009. The most recent update to the survey was based on fieldwork undertaken in February 2009

Leverage consumer preferences to your market advantage

A greater public focus on environmental issues is likely to drive consumer and large enterprise customer preferences towards more sustainable products and services (see also the consumer fact sheet in this series).

Accommodation services are closely linked to the tourism sector, where demand is shifting towards ‘eco-friendly’ products and services.⁴ You can take advantage of these new business opportunities by:

- Providing customers with information on greenhouse gas emissions associated with your products
- Using locally produced goods to reduce transport costs and emissions
- Implementing strategies to reduce your emissions and water use, such as allowing guests to choose when to have their towels and linen cleaned
- Improving the energy efficiency of your building(s) and obtaining an accredited energy rating.

Each of these actions can improve your environmental credentials and provide a key marketing opportunity.

Accommodation businesses are also in a unique position to influence customers on energy and water use and waste efficiency by educating guests about actions they can take. This provides multiple benefits such as:

- Demonstrating your commitment to environmental sustainability to customers
- Reducing the impact your business has on the environment
- Reducing costs and improving staff engagement.

Adapt to climate change and improve business resilience

The physical effects of climate change will be diverse. It is important that your investment decisions take into consideration the potential impacts of climate change to your business.

Increased temperatures and more hot days will increase pressure on refrigeration and air conditioning systems. This will increase costs for accommodation businesses and impact the comfort of guests.

The effects of climate change on the availability and cost of water will impact on large water users. Actions that can be taken to reduce your water use include:

- Encouraging guests to be water efficient and to support and promote your environmental strategies
- Washing food in the sink or a bowl rather than under running water
- Purchasing water efficient kitchen and cleaning appliances
- Installing low flow tap and shower fittings, shower timers, dual-flush toilets and waterless urinals.