



MEDIA RELEASE

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Energy incentives for households must start now

Peak consumer, community and environmental groups have called for immediate action to support energy efficiency measures and to provide financial assistance to low-income households in response to higher prices flowing from the introduction of a carbon emissions trading scheme by 2012.

While welcoming the Prime Minister's announcement of a Climate Change Fund, CHOICE, the Australian Council of Social Service (ACOSS) and the Australian Conservation Foundation (ACF) called for all parties to commit to the immediate introduction of incentives to assist households in becoming more energy efficient in the lead up to 2012. Financial assistance for low income earners needs to kick in as soon as a carbon price impacts on the cost of living.

"It would be a major missed opportunity to wait at least five years before making significant improvements to energy and water efficiency," said Don Henry, Executive Director of the Australian Conservation Foundation.

"Gains in energy efficiency made before the introduction of a trading scheme will moderate the impact of a carbon price," said Peter Kell, CEO of CHOICE. "Acting now will help with a smoother transition to a low emission economy and avoid price shocks to consumers."

The peak organisations have joined forces to develop climate change policy responses that will benefit all Australian households, including those on low incomes.

A comprehensive national program could leverage significant private sector investment to retrofit all Australian homes within a generation. Such a program should aim to retrofit five percent of existing homes a year and should include:

- Regularly evaluated education campaigns on the most effective means to achieving, and subsequent benefits of, energy and water efficiency.

- Home audits of energy and water use that result in recommendations for behaviour change and physical improvements and referral to sources of assistance.
- Financial and other assistance for low income households to implement measures that improve water and energy efficiency.
- Improved labelling on products and appliances so that initial and second hand purchasers can make informed decisions about energy efficiency at the point of purchase.
- Financial and taxation incentives to encourage landlords to retrofit properties to improve energy and water efficiency.
- Improving energy and water efficiency in public housing.
- Mandatory energy efficiency standards in all new buildings.

Financial assistance for low-income households is also essential, according to the peak organisations.

“The impacts of climate change will be particularly harsh on low income earners and disadvantaged communities as they spend a greater proportion of total weekly budget on energy and water and are less able to introduce measures to improve energy efficiency,” said Andrew Johnson of ACOSS. “Further, financial assistance needs to be available as soon as carbon pricing impacts on the living costs of Australians doing it tough.”

A copy of the full statement ‘Climate change, energy efficiency and social equity: responses that benefit all Australian households’ is available on request.

Media contact: Josh Meadows, Media Adviser ACF on 0439 342 992 or 03 9345 1109