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## MEDIA RELEASE

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# LESS WELL OFF NEED HELP TO ENERGY EFFICIENCY GAINS

## Joint report calls for national retrofit of all homes

All Australian homes should be retrofitted within a generation to significantly cut electricity, gas and water consumption with special safeguards to make sure poorer households are not left out, according to a new report.

*Energy and Equity*, a report produced by Australia's leading environmental, consumer and welfare organisations, says energy efficiency is potentially the quickest and cheapest way to cut greenhouse pollution. Energy savings of 30% are possible using immediately available effective technologies. The report recommends that efficiency improvements be complemented by appropriate utility tariffs and safety net measures.

The report, a joint project between the Australian Conservation Foundation (ACF), CHOICE and the Australian Council of Social Services (ACOSS), says five percent of existing homes should be retrofitted each year with energy and water saving technologies such as insulation, solar hot water and rainwater tanks to offset inevitable increases in utility prices resulting from emissions trading and other factors.

"A carbon price will flow through to energy prices as well as other household expenditure including transport and food," said CHOICE CEO Peter Kell.

"Energy efficiency can largely or completely offset price rises faced by the average consumer. Initiatives are needed to protect those on low incomes, disadvantaged communities and the rental sector."

The report's recommendations include: free home audits of energy and water use with advice on how consumers can change behaviour; and financial and other assistance for lower income households to improve the efficiency of their utility use.

"Low-income households and the elderly are already on the front line of climate change, bearing the brunt of heat-related illnesses and coping with extreme weather in poorly-built and poorly-insulated houses. Electricity and fuel price rises are inevitable in a carbon-constrained world but they will not unfairly hurt the most

vulnerable if Government provides a safety net and invests strongly in energy efficiency,” said Tony Mohr, manager of ACF’s Climate Change program.

“We need to establish safety net provisions to ensure that low income households have the opportunity to improve efficiency but are not burdened with price increases for essential services,” said ACROSS President Lin Hatfield-Dodds.

Although low-income homes spend half as much on electricity and gas as the wealthiest households, it represents twice as big a proportion of their household budget. Also, relatively speaking, water bills are a third higher for low-income households than those on average incomes.

“Few low-income households are able to afford the upfront costs of energy and water efficiency measures which would ultimately save them money. And the one in four households in private rental or public housing do not have the right or incentives to make these capital improvements,” said Peter Kell.

Other recommendations of the Energy and Equity report include; financial and tax incentives to encourage landlords to improve their properties’ water and energy efficiency and greater investment in such measures for public housing tenants.

Energy and Equity also calls for the implementation of an emissions trading scheme that is equitable and efficient, driving meaningful reductions in greenhouse gases; and tariff structures which recognise the essential nature of power and water while pricing them to encourage efficient consumption.

The report suggests recycling the revenue from permit auctioning in an emissions trading scheme to fund energy efficiency measures and compensate the less well off householders who are adversely affected by higher energy and water bills.

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