



**Comment**

**on ACT  
Government  
Energy Policy  
and Climate  
Change  
Strategy.**

**28 April 2006**

**I**NTRODUCTION

ACTCOSS acknowledges that modern day Canberra has been built on the traditional lands of the Ngunnawal people. We pay our respects to their elders and recognise the displacement and disadvantage they have suffered since European settlement. ACTCOSS celebrates the Ngunnawal's living culture and valuable contribution to the ACT community.

The ACT Council of Social Service Inc. (ACTCOSS) is the peak representative body for not-for-profit community organisations, people living with disadvantage, and low-income citizens of the Territory. ACTCOSS is a member of the nationwide COSS network, made up of each of the state Councils and the national body, the Australian Council of Social Service (ACOSS).

ACTCOSS' objectives are representation of people living with disadvantage, the promotion of equitable social policy, and the development of a dynamic, collaborative and sustainable community sector.

The membership of the Council includes the majority of community based service providers in the social welfare area, a range of community associations and networks, self-help and consumer groups and interested individuals.

ACTCOSS receives funding from the Community Services Program (CSP) which is funded by the ACT Government.

ACTCOSS advises that this document may be publicly distributed, including by placing a copy on our website.

## Environmental protection and energy policy

Work pressures dictate that ACTCOSS is unable to produce a detailed or lengthy comment on the two papers released for discussion: "Reliable, Responsible, Renewable, A Discussion Paper for an ACT Energy policy" and "Avoid, Abate, Adapt, A Discussion Paper for an ACT Climate Change Strategy". However we wish to make a few general comments about Government processes and community consultation.

ACTCOSS participated in 2003 in the ACT Greenhouse strategy consultation, and made comments regarding the need to understand low-income households and their ability to participate in many of the greenhouse gas reduction measures. We copy that comment into this document for your information, as those issues remain pertinent.

We are concerned, however, that the two discussion papers released have made no reference to previous strategies. It is difficult to say what should be done in future when there is little assessment of what has happened in the past. For example, in May 2003, the ACT Government released a commissioned report titled: "ACT Greenhouse Strategy: 2002 Review of performance and options for the future". This was written and researched by a consortium, headed by Energy Strategies in association with George Wilkenfeld and Associates NIEIR, and SMEC. This report contained eight findings and six recommendations, and explained that:

*1The ACT Government, as the local government authority for the city of Canberra, is one of the largest and longest standing participants in Cities for Climate Protection. This is a program for local government, coordinated internationally by the International Council for Local Environment Initiatives and funded by the Australian Greenhouse Office. All participating local government authorities set emission reduction targets for their own activities and the activities within their local government area. Any abrogation of commitments by the ACT Government would be a severe blow to this program. (p.11 pf 131)*

It is therefore disconcerting to be asked to comment on how to move forward on climate change without any report on the outcomes of Cities for Climate Protection or the Greenhouse Strategy. ACTCOSS would be better placed to determine if a "60% reduction in ACT greenhouse gas emissions by 2050 is an appropriate long term target for the ACT" (Climate Change Strategy, p. 25) if we had data on emissions reductions since the adoption of these earlier programs.

It is also of concern that the 60% discussed in the paper is not a major reduction on 2006 levels of emissions, but a reduction in the level of emissions we would reach in 2050 under a "business as usual" scenario of increases. This is not the ordinary understanding of the term "reduction", but a description of a curb on growth – ACTCOSS sees this as a maintenance of current emission levels. Without knowing what current emission levels are in terms of the goals set by the greenhouse strategy and recommended in the Energy Strategies report, ACTCOSS does not feel it has adequate information to go further than our comments of 2003.

In terms of commenting on energy policy, ACTCOSS was one of the organisations that opposed Full Retail Contestability in 2002 because of the adverse impact on low income households. Since that time, ACTCOSS has worked with the Conservation Council of the South East Region and Canberra on water and household greenhouse gas emissions policies in a bid to ensure that environmentally sustainable policies do not target or further disadvantage low income households and people experiencing disadvantage and poverty.

ACTCOSS is concerned that, having made electricity and gas fully contestable commodities, the ACT is now trying to write energy policy that relies on cooperation to control and reduce consumption, a policy that is against the commercial interests of energy industry players. The development of this energy policy is also happening at the same time as the ICRC is recommending that price regulation in the electricity retail sector be removed to further support competition.

Since 2002 ACTCOSS has been an active participant in consumer debates on National Electricity Market issues, including the reluctance to further develop alternative fuels and energy sources. It is therefore frustrating to again be asked if it is a good thing to support renewable sources of power. The lack of ACT Government control over the adoption of renewable power have been amply demonstrated over the past few days in Canberra with the debate over local wind farms.

The head of ACTEW AGL has commented that two potential wind farm developments his company has planned for the region cannot proceed as there is no market for that energy while the Mandatory Renewable Energy Target system is over-subscribed. What Canberra households will not understand is why that power cannot be supplied directly to them as consumers. The general population is also most likely not aware that the ACT buys its power through AGL contracts with Victoria's brown-coal fired generators. Again, the discussion paper asks base-line questions that are worthy of support but do not address the current energy debates, so therefore it is difficult to make any meaningful comment at this time.

Thank you for providing ACTCOSS with this opportunity to comment.

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28 APRIL 2006

## **COPY OF ACTCOSS COMMENT ON 2003 REVIEW OF THE ACT'S GREENHOUSE POLICY.**

Dr Maxine Cooper  
Executive Director  
Environment ACT  
PO Box 144  
LYNEHAM ACT 2602

Dear Dr Cooper,

Thank you for sending ACTCOSS a copy of the review of the ACT Greenhouse Strategy.

The ACT Council of Social Service Inc (ACTCOSS) is the peak representative body for not-for-profit community organisations, and disadvantaged and low-income citizens of the Territory. ACTCOSS is a member of the nationwide COSS network, made up of each of the state Councils and the national body the Australian Council of Social Service (ACOSS).

ACTCOSS has the twin roles of representation and advocacy. The Council's objectives are the representation of disadvantaged people, the promotion of equitable social policy, and the development of a professional, cohesive and effective community sector.

The membership of the Council includes the majority of community based service providers in the social welfare area, a range of community associations and networks, self-help and consumer groups and interested individuals.

The ACT Council of Social Service has three main representative responsibilities, including: representing the interests of consumers, the interests of community service providers and the sector, and the public/community interest in the Territory. It is with the interests of all three in mind that the Council provides the following comment on the Review of the ACT Greenhouse Strategy.

As you may be aware, ACTCOSS has recently participated in Environment ACT's process to develop a water strategy. During that process ACTCOSS formulated a number of recommendations relating to the impact of Government initiatives in the area of conservation of resources on people living with poverty or other forms of disadvantage.

The main message from that process is that measures to alleviate environmental degradation or improper use of resources should recognise the varying capacity of households to respond to conservation messages.

The Review paper is quite comprehensive and discusses issues that ACTCOSS does not have expertise in, so the Council will leave comment on many issues to other groups. What the Council would like to contribute, though, are its thoughts on achieving better outcomes in the areas of household and transport emissions.

ACTCOSS believes that the mere advertising or display of EER ratings for rental dwellings will not lead to significant uptake of energy efficient infrastructure by landlords. For those rental properties where high EER ratings are achieved this may shorten vacancy terms, but Canberra has a history of rental accommodation shortage which has traditionally increased rental charges. The danger is that if higher EER properties become more desirable they will become the province of the more desirable and affluent tenants, thus leaving the poorly insulated, inadequately heated and water inefficient housing for low income renters.

ACTCOSS has recommended in its submission on water pricing that the ACT Government take up the issue of housing efficiency at the Council of Australian Governments level, to ensure that improvements to rental properties that improve energy and water efficiency are acceptable as deductions under the existing negative gearing regime. A recent tax ruling that maintenance but not improvements are acceptable deductions appears to mitigate against any positive action by landlords to make their properties more efficient.

ACTCOSS is also developing a policy paper on water issues with the Conservation Council of the South East Region and Canberra. In meeting the sustainability goals that the two organisations have set, the paper is expected to recommend a range of initiatives by Government to assist with the take up of more energy and water efficient practices in the long term.

These include the audits spoken of in the Review discussion paper, coupled with incentives that will be attractive both to home owners and landlords, as well as tenants.

Another important plank in ACTCOSS' sustainability work has been to encourage the ACT Government to become a landlord of best practice. The recently released ACT Housing Asset Management Strategy had little to say about retrofitting Government-owned residential properties. Rather it seems to rely on disposing of old and inefficient stock as its only management strategy to improve overall efficiency of the stock.

ACTCOSS believes that ACT Housing should not be left to fund improvements of such magnitude out of its own returns. Retrofitting existing ACT Housing stock to make it more energy efficient would be an example to other landlords and private home owners. It would also increase the intrinsic value of the stock. To do this it should have access to funds set aside for environmental initiatives.

ACTCOSS has also made the point in previous submissions that introduction of pay parking can be a problem for low income households, particularly those who have a family member with a disability. While the goal of providing disincentives for people to park in large all day car parks has appeal, provision must be made for those people who support people with a disability and cannot move from private to public transport.

ACTCOSS believes that the continuing support of ACTION must also be linked to innovative programs such as that undertaken by the ACT Government in Woden to assist people to make better transport choices.

Canberra will take a long time to transform from the car-based city that it is to a place where people feel comfortable using public transport for everyday transport needs. That change is not neutral, and will require considerable effort to ensure that bus travel is safe, attractive and meets the needs of commuters. There should also be recognition that for some people, public transport can never meet their needs, and these people should be given the concessions and other supports they need to ensure they are not disadvantaged by change.

The ACT has approximately 8.5% of its population living in poverty, and a considerably higher number living with other forms of disadvantage that impact on their daily lives. While ACTCOSS supports the sustainable use of resources and the effort to improve the living environment it believes that in the past blunt measures to bring about such changes, such as premium price increases, have caused further hardship within these households. They are also at risk of being penalised for being unable to afford the community standard of energy efficiency in their housing and lifestyle.

ACTCOSS believes that a range of measures must be taken to achieve the environmental outcomes the Government and community want. These must include incentives that draw both landlords and home owners to the schemes available, support for low cost initiatives that can be taken to improve energy and water efficiency for people on low incomes and those in rental accommodation, and ongoing communications plans that include public education through a variety of networks and mediums to ensure all Canberrans share the goal of emission reduction.

Thank you again for the opportunity to put forward the Council's views,

Yours truly,

Daniel Stubbs  
Director.