

22 September 2011

Committee Secretary
Joint Select Committee on Australia's Clean Energy Future Legislation
PO Box 6021
Parliament House
CANBERRA ACT 2600
AUSTRALIA
By email: jscefl@aph.gov.au

Dear Committee Secretary

Re: Submission to the *Joint Select Committee on Australia's Clean Energy Future Legislation*

The Brotherhood of St Laurence's focus in the carbon price discussion is to ensure low income and vulnerable households have appropriate household assistance to cover any increased costs that will arise from the introduction of a carbon price.

We have provided input on the carbon price / Clean Energy Future package to the Department of Climate Change and Energy Efficiency through our involvement in the NGO Roundtable on Climate Change and to the Department of Families, Housing, Community Services and Indigenous Affairs through our involvement in the Household Assistance Working Group.

The household assistance included as part of the Clean Energy Future's package is essential to ensure the carbon price remains fair and equitable. The final package includes a series of measures which should adequately cover the additional costs for most low income households. These include:

- Changes to the tax free threshold
- Increases in Family Tax Benefit Part A by up to \$110 a child
Increases in Family Tax Benefit Part B by up to \$69 a family
- A supplement for some single-income families
- A \$140 annual supplement for those households with someone who needs to use more power than average, as a result of medical issues or disability

The following safeguards are also particularly important:

- ACCC oversight of businesses passing on the carbon price to consumers to stop price gouging
- A \$300 supplement for those low-income households who can show the compensation does not cover their extra costs

It will be important to ensure annual reviews are conducted to ensure the ongoing adequacy of the household assistance as the carbon price increases.

While the focus of the current legislation is on the carbon price the Brotherhood notes the critical importance of rising energy prices to low income households. Energy prices are increasing irrespective of the carbon price. Energy efficiency remains a key way to assist households to cope with rising energy prices that are increasing irrespective of a carbon price.

We welcome the energy efficiency measures announced as part of the Clean Energy Futures package. These include the Household Energy Efficiency and Financial Sustainability Scheme (HEEFSS) and the Low income energy efficiency program (LIEE). We also note the decision to expedite the development of a National Energy Savings Initiative (NESI), which will require energy retailers to help households reduce carbon emissions. We strongly support a NESI with the inclusion of appropriate measures to ensure low income and vulnerable households receive a fair share of the direct benefits from the scheme.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Tony Nicholson', with a long horizontal stroke extending to the right.

Tony Nicholson
Executive Director