

Hi,

I would like to voice my disappointment with how the new government has decided to means test the Solar Rebate such that families with an income greater than \$100,000 will not be eligible.

I agree that there probably should be some means test, but setting it at a family income of \$100,000 seems way to low. My own situation was that we have been considering installation of PV Panels in addition to some of the other measures such as CFL lighting etc, but since the governments recent decision has effectively increased the cost of this by \$8,000 then we feel we just can't justify such an expense to 'do the right thing'. In addition this decision by the new government appears to show that they don't support the installation of PV Panels.

Given that the installation of a PV cells is not a financial decision (at least not for anything less than a very long term view) it would seem that the adoption of these sorts of technologies is only going to be taken up by those that can afford it. If the government believes that there is an advantage in the wider uptake then the associated costs need to be offset in some way.

For a comparison to the Family Tax Benefit, it is noted that for a family with three children aged 17-25 years the FTB Part A 'base rate' is paid up to approximately \$120,000 and which it is reduced at 30c/\$ up to an income of approximately \$127,000. Therefore, since the FBT is provided as an assistance for the cost of raising a family then in this case it would seem that the government views these families as requiring assistance but at the same time this appears to be at odds with the recent decisions regarding the Solar Rebate.

While this decision already brings it in to line with the solar hot water rebate (ie non PV panels) which is already means tested for \$100,000, the government doesn't seem to realise that the decision by individuals or families to adopt these 'environmental' alternatives is not made on a financial basis, and as such is simply not going to be affordable to the majority of those with an income of under \$100,000 whether there is an \$8,000 rebate in place or not. Certainly not for the average family anyway.

To simply remove the rebate has already made an obvious impact on the market demand of PV panels already. Obviously if the market demand of PV Panels is low then this will prevent the economies of scale coming in for their production, and without this then the cost of panels is not going to become more affordable for the wider public.

It is disappointing for a country such as Australia that would appear to have such a solar advantage due to our climate essentially provides no real support for the uptake of PV Panels and Hot Water Systems due to the means testing of these at \$100,000. It is clear from documentaries that I have seen that a number of European countries such as Germany etc provide much greater support which has seen the wide-spread adoption of these technologies throughout the wider community. And this is from countries that have much less sunshine than Australia.

It would be interesting to know if the Solar Panel industry had any data on the demographic of those people that do undertake the installation of PV Panels so that it could be seen what the average/median/minimum income was for these people.

Alternatively, the government could provide other incentive alternatives in place of the \$8,000 rebate, such as loans capped at CPI, or other incentives that make these options more attractive from a financial sense.

Regards,
Mark Surgeon