

Hello,

My name is Garry Barbuto and I am the Leading vocational teacher in Renewable Energy at SkillsTech Australia. I would like to make a submission on the PV Rebate scheme. From my experience in the training sector I can say categorically that changes to the rebate have had an immediate effect on the demand for training which in turn reflects directly the level of activity in the PV industry. In May 2007 when the then Fed Liberal Govt doubled the rebate from \$4000 to \$8000 in the May budget, enrolments went through the roof starting the day after the budget. Demand was so strong that we had to close enrolments for 1 month and take a waiting list. Enrolments grew steadily over the past year until the Fed budget last May. Enrolments just about ceased. We spoke to the industry association plus numerous installers in the PV industry and the figures were that up to 80% of business had ceased. Orders were cancelled the day after the budget. Most suppliers/installers were saying that job losses are imminent.

One company in QLD, Dixon Homes were about to commence installing a 1 kw PV Grid Connected system on every new home and had lined up suppliers and were about to train an army of installers but this has all fallen through due to the income cap test on the PV rebate. It is incredible that in order to save I believe \$20m, the Fed Govt has crippled an industry that was starting to really get going and make a difference in reducing our greenhouse gas production. In the same budget they gave \$500 M to "clean coal" technology, the greatest oxymoron ever coined. It is a simple fact that the majority of people that were installing PV systems were in the higher income brackets.

Peter Garrett claimed that they did not want to "subsidise the rich " in order to justify the means test. This is just political trickery; the rebate is in no way a form of "middle class welfare", but a legitimate attempt to correct a "market failure" (the failure to account for CO2 damage). To pass it off as move to repeal middle class welfare greatly underestimates the intelligence of the electorate. The simple fact is that the benefit of having a PV system is not to the individual but to the society in general. You don't install a PV system to make money. You might save a few hundred dollars a year on electricity. With an installed price of around \$4000 after rebate, you would be looking at a payback period of around 10 years or more. It is not a " get rich quick " scheme. The systems are installed by people who want to make a difference. It appears that the Fed govt wants higher income earners to pay more to make a difference. Perhaps they should take \$100 M from the clean coal funding and put it into PV. This will give an immediate, calculated reduction in greenhouse gas production. An additional benefit to installing a PV system is that those people who choose to do so, usually make energy efficiency improvements in their homes in areas such as lighting, heating, air conditioning, standby power reduction etc so that they consume less energy per head and this again reduces greenhouse gas production.

I have included a couple of slides that show the rate of adoption of PV technology around the world and how poorly Australia rates. We have the highest available solar energy of any country in the world and we utilise it the least. The astronomic rise in PV systems in Germany is directly related to Govt policy and initiatives. It is the fastest growing industry in Germany. It is the fastest dying industry in Australia.

The attached file "local power 20" shows the growth in PV installations in QLD. The rapid rise after the May 2007 budget shows the impact that govt policy can have on an industry. The Australian greenhouse office would have more information on the PV systems that have been installed across Australia over the past few years.

I would welcome the opportunity to appear at the public hearing in Brisbane to discuss this very important issue.

*Regards*

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