

**With an abundance of sunlight, an environmentally conscious and educated population, plenty of space, and access to green technology solutions, Australia has the potential to lead the rest of the world in solar technology.**

**Decisions such as the Rudd Government's introduction of means testing for eligibility of the \$8000 Solar Rebate at \$100,000 will leave Australia in the dark ages when it comes to renewable energy solutions.**

*We would like to register our strong disapproval of this decision, and describe how it has impacted us.*

We are a family with 3 young children and a mortgage, trying to win the daily battle against rising interest rates and ever-increasing fuel prices. Earlier this year, one of us returned to work to "make ends meet", which ultimately just tipped us over the \$100,000 threshold around the time of the Federal Budget.

A month before the budget decision, we had entered into a contract to install a 2kW solar power grid connect system for our home, after becoming aware of the rebates available to us through advertising of the Australian Solar Cities Program (we live in one of the Council areas involved in the Adelaide Solar City). We were extremely positive about our decision to do this, even though it would stretch our budget, requiring us to borrow back against our mortgage – it was something we felt we could do for the environment.

An additional incentive for us was the South Australian State Government announcement of the \$0.44 / kWh feed-in tariff to take effect from 1<sup>st</sup> July 2008, a leading example in Australia as a way forward in the world of solar and renewable energy. The idea of that was:

*"Not only will thousands of South Australian homes have solar systems installed, but many businesses will now have the opportunity to embrace this technology and turn their roofs into mini-renewable power stations."*

(sourced from [http://en.wikipedia.org/wiki/Feed-in\\_tariffs\\_in\\_Australia](http://en.wikipedia.org/wiki/Feed-in_tariffs_in_Australia))

Almost in contradiction to that, the Federal Government has made that statement an ideal, but impossible dream for many South Australians.

In order to take advantage of the new feed-in tariff scheme in our State, we needed to change our energy provider from a smaller, greener energy provider (which we had specifically chosen due to environmental factors), to one of the larger providers which was already operating a proven feed-in tariff scheme. As we waited for confirmation of the date of the provider change, around the time of the Federal Budget we had no clue that waiting that extra couple of weeks would end up costing us our \$8000 Solar Rebate. We sent in our application for the Solar Rebate a week after the Federal Budget, as we were unaware that virtually overnight, we had become ineligible to receive it.

As soon as we found out, we put our plans on hold in the hope that our 07/08 income would fall just under the threshold, in which case we could reapply. We now know it is just over the chosen threshold. We have not yet cancelled our order, but we have put our solar energy plans on hold in the hope that the Rudd Government will reverse this illogical decision, and once again make the Solar Rebate more widely available. In hindsight we would have been far better off without the extra income (i.e. have only one of us working), therefore receiving Government Family Payments of some kind and ultimately the \$8000 Solar Rebate. Work less to get more - that doesn't seem to make sense.

Even with the Solar Rebate as it stood previously, the decision to install solar power in our home was not really the "affordable" option for us. We were driven by the knowledge that by using solar energy to power our home we would be making a positive contribution towards reducing our "carbon footprint". It really was an environmental decision – and something that we could be proud of and teach our children about making choices to support our environment. It would be an investment in the future of our planet. The fact that the Solar Rebate existed helped to make that decision easier at the time, but now that is gone, it simply comes back to affordability. Basically, it's not affordable.

Although we earn just above the chosen threshold, we would certainly not consider ourselves "wealthy" or "rich" people with plenty of money to spend on solar power. Sure, if you are earning over \$100,000 and you are a single person, or a couple without children, maybe you would have some spare cash flow. But, now that the Solar Rebate is means tested, even those lucky enough to have some spare cash flow earning over \$100,000, have lost an incredibly important financial incentive to make a stand for the environment and support Solar Power.

We can only imagine the detrimental effect the Solar Rebate means testing decision has had on the Solar Industry in Australia, and indeed the Australian Solar Cities Program itself. We have seen reports on the news and in forums all over the Internet about large scale order cancellations and job losses, in an industry that was formerly experiencing high growth.

Another important consideration here is the solar technology itself. If the market for solar technology is reduced due to Government decisions such as this means testing, what is the incentive for further research into solar solutions, and improvement of the technology in price and efficiency? Surely that alone is enough to warrant Government support as a step towards the viability of widespread renewable energy sources in the future.

Before this decision we sincerely felt that the future of renewable energy was in good hands in this country, and we felt an optimism and confidence that we had not felt before about making a positive impact towards climate change. That has changed since the Solar Rebate means testing announcement. We have never before felt so strongly about any Government issue to take action such as we have in this submission.

We are just two of thousands of Australians who voted for the Rudd Government at the 2007 Federal Election, with the impression that they were going to be proactive with regard to environmental and climate change issues. Unfortunately this does not seem to be the case for the future of solar technology in this country.

All we can do now is hope that the Rudd Government will listen to our valid concerns, and take action to reverse their decision by either:

1. Scrapping the means testing altogether;
2. Raising the means testing threshold to a much higher figure;
3. Honouring the Solar Rebate for those already in contract before the Federal Budget;  
or
4. Honouring the Solar Rebate for those living within an Australian Solar Cities region.

As we have stated, Australia can potentially lead the way with solar technology. Help our country to become a shining example to the rest of the world, and show just what is possible to achieve in this field.

Bindi & Mike Hawkey