

Cheaper Power (Supplementary Appropriation) Bill 2024

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Committee Secretary
Cost of Living and Economics Committee
Parliament House
George Street
Brisbane Qld 4000

Contact: Jonathan Edwards, Advocacy Manager, [REDACTED]

Dear Committee Members,

Thank you for your consideration of the following submission regarding the Cheaper Power (Supplementary Appropriation) Bill 2024.

About St Vincent De Paul Queensland

As a member and volunteer-based organisation, the St Vincent de Paul Society QLD (The Society) is present in over 200 communities across the State. Our members accompany people in times of hardship, building trust and providing practical assistance such as food and electricity vouchers, furniture and clothing, and help with other living expenses such as medical bills. We are also a leading provider of housing and social services supporting people experiencing or at risk of homelessness, domestic and family violence, problematic alcohol or other drug use, and other forms of exclusion. The Society works everyday through our members and professional staff with Queenslanders experiencing financial hardship, not least from the impact of energy prices.

Support for the Bill

Recommendation 1.

The St Vincent de Paul Society Queensland welcomes this appropriation because its intended use¹ will provide much needed cost of living relief to Queenslanders experiencing financial hardship with whom we work.

However, The Society takes this opportunity to make clear our concerns regarding the potential impact of this measure (the \$1000 electricity bill rebate) on the State's capacity to fund much needed additional cost of living measures including measures to promote long-term electricity bill relief for the most vulnerable in our community.

¹ <https://statements.qld.gov.au/statements/100217>



Concerns about this Bill

The Society is concerned that this measure is not sufficiently targeted to those most in need but instead represents a subsidy to all Queenslanders including those with the ability to absorb higher energy costs. Our members and staff working with those experiencing financial hardship are keenly aware of the need for long-term measures that can ease cost of living pressures for our companions and clients². We therefore urge The Government to ensure that this measure is supplemented by others that work to achieve a more socially just outcome for vulnerable Queenslanders.

Specifically, The Society recommends consideration of additional measures to address energy inequity, fuel, food, and education costs:

Social Justice in energy affordability

Despite the support provided by State and Federal Governments through the various Energy cost rebate schemes energy costs still represent a significant burden for the low-income households. Data from the Queensland Household Energy Survey 2023 shows that for the lower income groups that The Society assists increasing costs mean active reduction in energy use, *“retiree renters are now increasingly trying to reduce their electricity consumption (79% up from 73%), ...with 75% of Renters in apartments or townhouses now actively trying to reduce their electricity consumption.”*³

The Saint Vincent de Paul Society Queensland ran a successful pilot program of The Home Energy Management Service (HEMS) to support Queenslanders who were struggling with electricity costs to access the lowest prices and rebates and hardship schemes. The pilot found that when people got this advice over half did not need to make follow up requests for Emergency Assistance payments from The Society.⁴

In light of this experience, The Society urges The Government to:

Recommendation 2. Streamline access to existing hardship and rebate measures (e.g. The Home Energy Emergency Assistance Scheme, Electricity Rebate), to ensure eligible customers access all their entitlements, and in addition, support energy literacy measures to protect vulnerable consumers from predatory pricing while supporting access to hardship billing schemes.

Recommendation 3. Support low-income Queenslanders to access the economic benefits of the energy transition:

- 3.1. assist the most vulnerable social housing tenants reduce their power bills by rolling out a Virtual Power Plant (VPP) model for these tenants.**
- 3.2. provide support for private rental properties to install solar.**
- 3.3. provide more targeted financial support for renters and vulnerable households in the rollout of household clean technology, such as small-scale solar and storage, energy efficiency upgrades and electric appliances to replace gas.**

² Companions is the name used by St Vincent de Paul Societies for the individuals our members assist.

³ [2023 QHES Report](#)

⁴ Home Energy Management Service (HEMS), St Vincent de Paul Society Queensland project – internal report.



Additional cost of living measures

The rising costs of essentials are impacting all levels of the community in Queensland, but those most vulnerable are being forced to make tragic choices between paying for basic necessities because of the rising costs of housing, food, fuel, and energy.⁵ Our Emergency Relief activity demonstrates this. Between April 2023 and April 2024, The Society saw an increase in instances of assistance across state from 7,871 to 8,960. This widespread impact underscores the urgency for proactive government intervention. In addition to the support to pay energy bills The Society recommends that The Government introduces measures to give relief to low-income Queenslanders in respect to the rising cost of essentials, with a priority on fuel and food.

Recommendation 4. Provide additional/increased rebates, services or support programs that help vulnerable Queenslanders with rising costs of essentials such as food and fuel.

In addition to these broad cost-of-living pressures, families with school aged children are dealing with increasing costs related to essential school supplies. Typical costs for a fresh set of school supplies are currently estimated at \$680 for primary school students and \$1100 for secondary students.

Each year, the Society runs a Children's Education Fund to support families experiencing financial hardship who need assistance to pay for education related expenses. Over the past 4 years, the Society has seen a 300% increase in requests for funds, including a 16% increase from 2022 to 2023. Over \$1m from SVDP funds was distributed to families late last year to assist with back-to-school costs, such as the increasing need for high priced tech items (i.e. laptops and tablets). The Society would welcome any additional funding the State Government might provide to support vulnerable families struggling with these costs.

Recommendation 5. Additional financial support for low-income families with back-to-school expenses, such as uniforms, tablets.

According to the QCOSS 2023 Living Affordability Report, *“Debt servicing accounted for between 10.2 per cent and 15.1 per cent of household budget models. This means that, with the exception of the senior couple household who are managing their expenditure within their income, all households would remain in debt. Additionally, unplanned expenses would be funded through debt.”*

The Society, support our companions to meet these challenges through provision of NILs (no interest loans) which allow vulnerable residents to make important, timely purchases while still encouraging financial responsibility and independence. However, our experience in this area points to the need for improved access to financial counselling services in addition to the provision of NILs. These services are an essential to not only provide an effective response to financial hardship, but also to prevent much of the harm caused by predatory loan practices that are particularly prevalent amongst lower socio-economic groups. Currently, the numbers and distribution of financial counsellors is not sufficient to meet the growing and urgent need for these services.

Recommendation 6. Improved access to services that build on financial resilience, especially greater availability of financial counselling services and increased support for access to no-interest loans.



Kevin Mercer
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⁵ <https://www.qcoss.org.au/publication/report-living-affordability-in-queensland-2023/>