Senate Inquiry – Electricity Prices

Prepared for the Australian Government

September 2012

Prepared by the Physical Disability Council of NSW

Jordana Goodman
Policy Officer
Physical Disability Council of NSW
St Helens Community Centre
3/184 Glebe Point Road
Glebe NSW 2037

Freecall: 1800 688 831
Phone: 02 9552 1606
Fax: 02 9552 1606
Fax: 02 9552 4644
Web: http://www.pdcn.nsw.org.au/ Email: admin@pdcnsw.org.au

Who is the Physical Disability Council of NSW?

The Physical Disability Council of NSW (PDCN) is the peak body representing people with physical disabilities across New South Wales. This includes people with a range of physical disability issues, from young children and their representatives to aged people, who are from a wide range of socio-economic circumstances and live in metropolitan, rural and regional areas of NSW

The objectives of PDCN are:

- To educate, inform and assist people with physical disabilities in NSW about the range of services, structure and programs available that enable their full participation, equality of opportunity and equality of citizenship
- To develop the capacity of people with physical disability in NSW to identify their own goals, and the confidence to develop a pathway to achieving their goals (ie self advocate).
- To educate and inform stakeholders (ie about the needs of people with a physical disability) so they are able to achieve and maintain full participation, equality of opportunity and equality of citizenship.

The Physical Disability Council appreciates the opportunity to consider, and make comment in relation to the senate inquiry into electricity prices.

Discussion

As an active member of the Energy and Water Consumers' Advocacy Program (EWCAP) a community-based reference group facilitated by the Public Interest Advocacy Council (PIAC), the Physical Disability Council of NSW (PDCN) would like to provide further feedback on how inadequate the current approach to energy affordability and customer protections are in NSW, and how these impact on people with a physical disability. Although PDCN does not represent Australia wide, it represents people with a physical disability living in urban, regional and rural localities across NSW, ranging in gender, age, ethnic, or racial groups, and hence believes that it can speak on behalf of people with disabilities more generally.

Many people with physical disabilities receive either the Disability or Aged Pension, or are limited by their earning capacity, and this limits their capacity to save sufficient funds to pay excessive electricity costs. Other expenses common to people with a physical disability include having to pay taxi fares, home support services and home modifications, and these

costs makes it more difficult to save. PDCN believes that electricity needs to be affordable to all consumers, and believes that a national regulatory body should be established to do this. Whilst PDCN recognises that individual need will vary for people with physical disabilities, it is aware that the use of additional electrical appliances to maintain independence and safety contribute to increased electricity costs. Research conducted by PDCN recognised these additional needs as a result of:

- The need to recharge motorised wheelchairs and scooters on a daily basis,
- The need for essential equipment such as hoists to transfer people to bed, the toilet, the shower and wheelchairs,
- The need for pressurised mattresses to assist with skin care,
- An increased incidence of incontinence resulting in the need to use the washing machine more frequently,
- The benefits of a residential electric door opener to provide greater privacy and security,
- Additional lighting to prevent the incidence of falls,
- The need for air conditioning to assist people with poor temperature control, and
- The additional costs often associated with food preparation. [1]

Consequently the risk of energy poverty needs to be highlighted for this target group. With recent reviews the national disability insurance scheme acknowledges the significance of electricity costs, and that this should be considered as a personal cost when determining costs associated with disability. [2]

The NSW government currently provides the following energy rebates to NSW residents:

- NSW Low Income Household Rebate – Availability to eligible pensioners and recipients of Health Care Cards issued by Centrelink, including a rebate of $215 per annum.
- NSW Life Support Rebate - This rebate is available to people who use certain approved energy intensive medical equipment in their home that is necessary to sustain life, such as home dialysis or ventilators, and this rebate can be additional to the NSW Low Income Household Rebate, as required.

[1] Public Interest Advocacy Council (2012) More Power to You - Preview of Research into the Electricity Use of People with a Physical Disability *Caroline Hodge* http://www.qcoss.org.au/sites/default/files/Carolyn%20Hodge_More%20Power%20to%20You_Physical%20Disability%20Research.pdf

[2] Australian Government- Productivity Commission (2011) Inquiry Report Disability Care and Support, page 235

- NSW Medical Energy Rebate – Available to the account holder or someone residing in the household for a resident unable to self-regulate body temperature, and is also available additional to the NSW Low Income Household Rebate.
- Energy Accounts Payment Assistance (EAPA) - Assists people experiencing difficulty paying their energy bill because they are facing a crisis or an emergency. It is designed to keep people connected to essential energy services and is not intended as income support or as an ongoing form of assistance. Vouchers are available through Community Welfare Organisations following assessment.

In summary the majority of people with a physical disability can only access $215 per annum through rebates provided by the NSW government. Other rebates including the NSW Life Support Rebate are only relevant for people needing medical equipment to sustain life, the NSW Medical Energy Rebate only considers people eligible where the inability to self-regulate body temperature is directly related to their primary medical diagnosis and the Energy Accounts Payment Assistance (EAPA) is only supposed to be a one- off payment for people in circumstances of crisis. Subsequently government protections in NSW are not applicable to the majority of people with a physical disability. Recent research supported this by identifying that only;

- 11% of participants were aware and had accessed the NSW Energy Rebate
- 13% of participants were aware and had accessed the NSW Medical Energy Rebate
- 30% of participants were aware and had accessed the NSW Life Support Rebate [3]

To reduce the cost of energy government authorities and energy retailers have promoted a number of strategies including time of use tariffs and the purchase of high efficiency appliances. When compared to the general population these strategies for people with physical disabilities have been harder to implement because:

- The time when alliances are used is governed by the times when personal support services are provided. These services are provided early morning so that recipients can attend in employment, education or any other community activity, and then again in the evening hours to get recipients ready for bed. This also influences the time when washing machines are most commonly used.

[3] Public Interest Advocacy Council (2012) More Power to You - Preview of Research into the Electricity Use of People with a Physical Disability *Caroline Hodge*
http://www.qcoss.org.au/sites/default/files/Carolyn%20Hodge_More%20Power%20to%20You_Physical%20Disability%20Research.pdf

- Temperature control equipment needs to be used whenever too hot or too cold. But unless the person with the physical disability has limited temperature control as a direct cause of their disability they will unable to obtain the Medical Energy Rebate.
- Due to the limited availability of personal savings many people with a disability are reluctant to purchase energy efficient appliances that may cost more even with the availability of low- cost loans available through Centrelink.

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Whilst the majority of people with physical disabilities are only eligible for few government energy rebates and face difficulties trying to reduce consumption, they may need to adopt risky strategies to manage paying electricity bills, including:

- Not using fresh ingredients but using premade meals to reduce the time required to prepare meals, and subsequently using less electricity.
- Using less lighting and subsequently increasing the risk of falls.
- Increasing the risk of respiratory, dermatological, and other health conditions by not appropriately heating and cooling houses.
- Reducing the costs of other activities by not attending other important appointments where taxi transport may be required.

Subsequently PDCN believes that many people with physical disabilities are at severe risk of being unable to pay electricity costs, and are forced to compromise other expenses that may severely jeopardise their general health, independence and well- being. To ensure a consistent price for people living in rural, regional and urban localities, PDCN believes that a national body should be introduced to regulate the price of electricity.