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Standing Committee on Environment, Climate Change and Biodiversity  
ACT Legislative Assembly GPO Box 1020 Canberra ACT 2601  
LAcommitteeECCB@parliament.act.gov.au

19 February 2024

Dear Committee

**RE: CLIMATE CHANGE AND A JUST TRANSITION**

The ACT Council of Social Service (ACTCOSS) welcomes the opportunity to provide a submission to the inquiry into climate change and a just transition. ACTCOSS advocates for social justice in the ACT and is the peak body for not-for-profit community organisations in Canberra. While not every element of the terms of reference have been considered by ACTCOSS, we have responded to the issues that are pertinent to our members and the low-income households they support.

ACTCOSS advocates for climate action in the ACT that is inclusive as well as sustainable and provides optimal outcomes for all people, communities, and the environment. ACTCOSS seeks to support low-income and vulnerable households and community sector organisations in the ACT to participate in decision making on climate change issues to achieve better consumer outcomes in terms of affordable, reliable, safe, and clean energy as an essential service. We are aware of and support the ACT Health Care Consumers Association submission to the inquiry. The threat of climate change to human health, the differential impacts of climate change on vulnerable populations and the need for health equity and health to be considered in all public policies, including programs and rebates in the transition to electrification are all of immense importance.

ACTCOSS has engaged and written extensively on just transition issues. ACTCOSS commends the ACT Government's commitment to achieving net zero emissions and national leadership in this space. However, we find that programs and rebates to reduce emissions, increase energy efficiency and help the transition to electrification are not effective or equitable for people on low incomes or who are otherwise marginalised. Increasing equity and driving greater engagement from people on low incomes could help speed the energy transition, as well as making it fairer. A range of examples from our previous work are included here:

- Attachment A: [Submission: inquiry into climate change and greenhouse gas reduction](#)
- Attachment B: [Submission: Minimum energy efficiency standards for rental homes in the ACT](#)
- Attachment C: [Submission to inquiry into EV Adoption in the ACT](#)
- Attachment D: [Report: A Just Gas Transition in the ACT](#)
- Attachment E: [Report: Supporting a fair, fast and inclusive energy transition in the ACT](#)
- Attachment F: [Submission: Integrated Energy Plan Position Paper](#)

ACTCOSS' overall approach to the ACT Government's climate action and greenhouse gas reduction is outlined in **Attachment A**. Climate change disproportionately impacts people who face disadvantage including people on low incomes, people with disability, people with chronic health issues and Aboriginal and Torres Strait Islander peoples. The Territory's transition away from a reliance on fossil fuel gas is a positive step towards climate change mitigation.

The ACT's energy transition strategy, the Integrated Energy Plan (IEP), must prioritise a fair and inclusive transition that prioritises vulnerable Canberrans and those on low incomes. ACTCOSS is concerned that many of the initiatives implemented so far have disproportionately benefited Canberrans on high incomes, shutting out those who need the most support and risking further entrenchment of disadvantage and inequity.

More also needs to be done to support those living in private rental accommodation, including pushing private landlords to provide safe and sustainable rental properties. ACTCOSS has indicated our support for the ACT Government's efforts to establish minimum energy efficiency standards for rental homes, and we regard this as an important social justice measure. In our submission on minimum standards (**Attachment B**), ACTCOSS stated that it supported the initial adoption of a ceiling insulation standard of R2 as a bare minimum but also that the ACT Government should implement more ambitious minimum energy efficiency standards over the next 5-10 years.

Another example of suboptimal policy responses has been the ACT's Zero Emissions Vehicles (ZEV) Strategy 2022-30 (the ZEV strategy). While ACTCOSS welcomes the ACT Government's decision to phase out internal combustion engines from 2035 as an important climate action measure, much more is needed to support people on low incomes to access affordable and climate friendly transport and energy solutions. Research shows that subsidies and rebates aiming to make ZEVs more affordable disproportionately favour higher-income earners, and that these kinds of schemes make no difference to people's ZEV purchasing plans or ability. Given that high-income consumers are more likely to purchase a ZEV without an incentive or rebate, prioritising these households is an inefficient use of government funds (**Attachment C**).

The ACT Government should prioritise resources for building accessible and widespread infrastructure, rather than subsidising high-income households to buy what is likely their second or third car. If resources to invest in the transition to sustainable and climate-friendly energy solutions are scarce, then they must be targeted toward those on the lowest incomes. Practically, this means prioritising policies such as improving the energy efficiency of housing in particular sectors of the housing market where people on low incomes are overrepresented, including private rental properties and social and affordable housing.

We also note that the ZEV strategy says that the ACT Government will introduce incentives to increase the uptake of electric bikes in 2023. So far there has been no tangible delivery on this commitment. The ACT Government should add electric bikes to the list of products available through the Sustainable Household Scheme and Home Energy Support Program. Electric bikes are a zero emissions mode of travel that provide a sustainable travel mode for many people and can realistically replace many car trips. Electric cargo bikes can be used to transport children and carry large loads, making them a viable alternative to car travel for many people. However, to enable further uptake of active travel the ACT Government must also expand investment in safe and dedicated active travel infrastructure and public transport.

ACTCOSS has written extensively on how the energy transition can ensure all Canberrans get the benefits and protections of climate action.

Key recommendations can be found in our reports *A Just Gas Transition in the ACT* (**Attachment D**) and *Supporting a fair, fast and inclusive energy transition in the ACT* (**Attachment E**) and our submission to the IEP position paper (**Attachment F**). These include that the ACT Government should:

- Expand the uptake of support to assist low-income households to improve energy efficiency and transition from gas to electric, including:
  - Provide and expand targeted financial support to assist low-income households
  - Create a one stop shop or single narrative for low-income consumers to understand the schemes available to them
  - Ensure support programs include an in-home assessment and tailored cost estimate, to reduce the perception of the financial risk of making energy-efficient investments.
  - Partner with community organisations to provide tailored communication for diverse and vulnerable households.
- Regulate to prohibit new gas appliances from being installed in rental properties.
- Urgently review and update the Targeted Assistance Strategy.
- Expand energy concessions to meet need by shifting from a fixed-rate to a percentage-based system and by reviewing eligibility to ensure equitable access.
- Implement automated application of concessions so that everyone who is eligible receives them.
- Subsidise the gas abolishment fee for low-income households and community housing providers.
- Consider piloting a street- or suburb-wide gas disconnection strategy to reduce individual costs.

To achieve an inclusive and equitable transition, it is imperative that the distribution of costs and benefits, along with barriers to the uptake of initiatives, is factored into the design, implementation and evaluation of energy transition policies and programs. When targeting financial support to transition, the ACT Government should prioritise support for vulnerable and low-income households who are unable to participate in or benefit from electrification unaided.

ACTCOSS looks forward to continuing our engagement in the ACT's energy transition, with a focus on ensuring equitable outcomes for low-income households and not-for-profit community organisations in the ACT. Public money used to support the transition to net zero should be targeted to those who need it most and those that are most impacted by being left behind. We urge the ACT Government to consult more widely and put people with the least at the centre of policy design. If we get the policy settings right, we can rapidly cut emissions and create a safer and fairer society.

Please contact me or our Senior Policy Advisor, Lyndsay Bassett on (02) 6202 7227 or [lyndsay.bassett@actcoss.org.au](mailto:lyndsay.bassett@actcoss.org.au) if you would like to discuss any of the issues raised in our submission.

Yours sincerely



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