



Lower income challenges to low carbon living in Australia

Never Stand Still

Built Environment

City Futures Research Centre

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Background

- Global move to renewal energy production & consumption
 - Australian reliance on coal
 - Industry direct & indirect subsidy by government
 - Political gauntlet: Repealing of carbon tax
 - 'green' energy retails at 15-24% more
- + persistent increases in energy prices
- = energy poverty / deprivation

Background

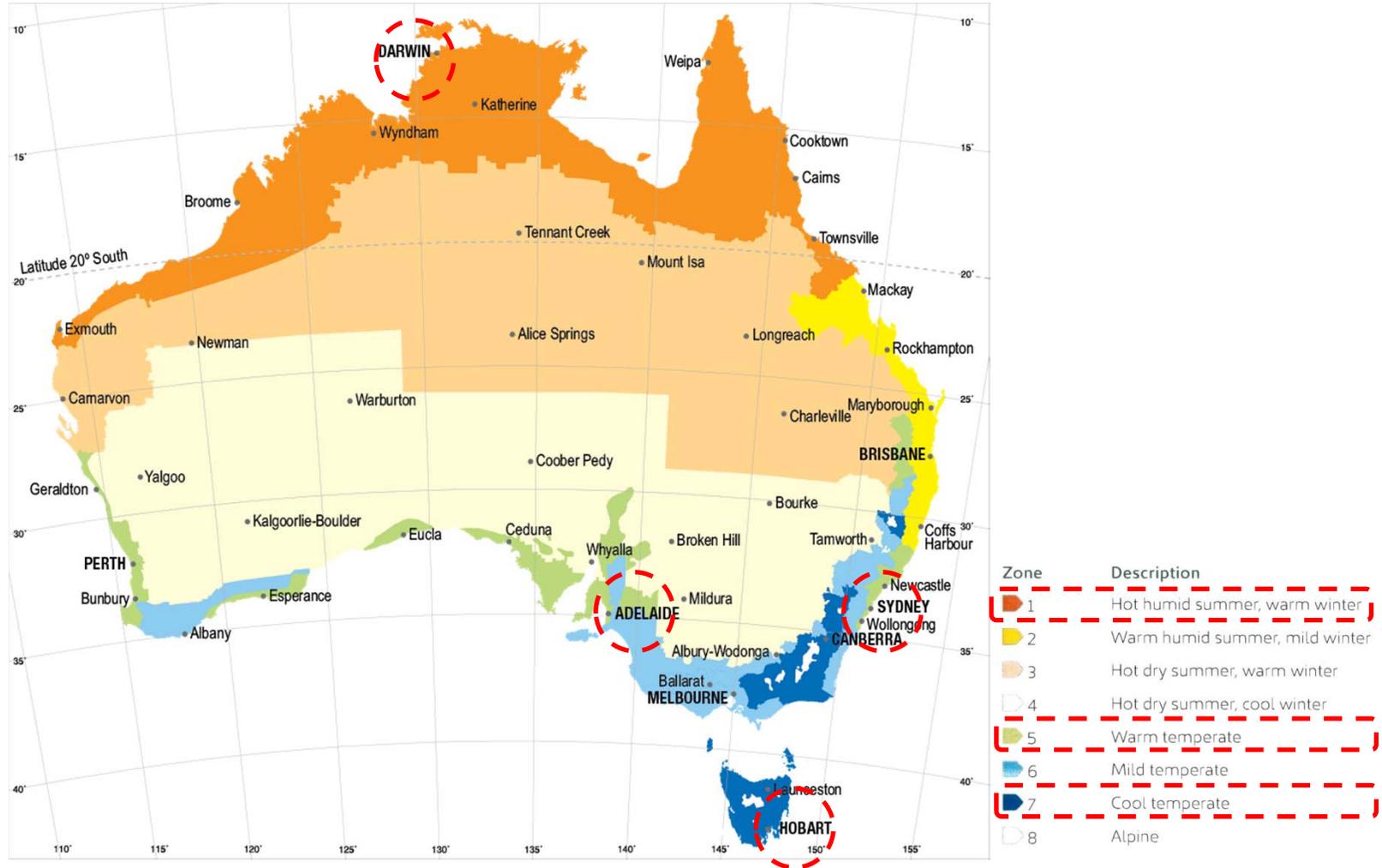
- CRC LCL RP3038
 - In-kind partners: Salvation Army, NSW OEH, Council of the Ageing
- Project aim: to identify **barriers** that different **lower income households** face in **reducing carbon consumption** to provide an **evidence base for policymakers** to improve low carbon living outcomes amongst this socioeconomically disadvantaged group of households across metropolitan and regional Australia

Background

- Methodology
 - Literature and policy reviews
 - Focus group discussions with lower income households (incl. survey & scenarios) [23 groups, 164 participants]
 - Stakeholder interviews [14 interviews, 18 stakeholders]
 - Policy workshops [4 workshops, 31 discussants]

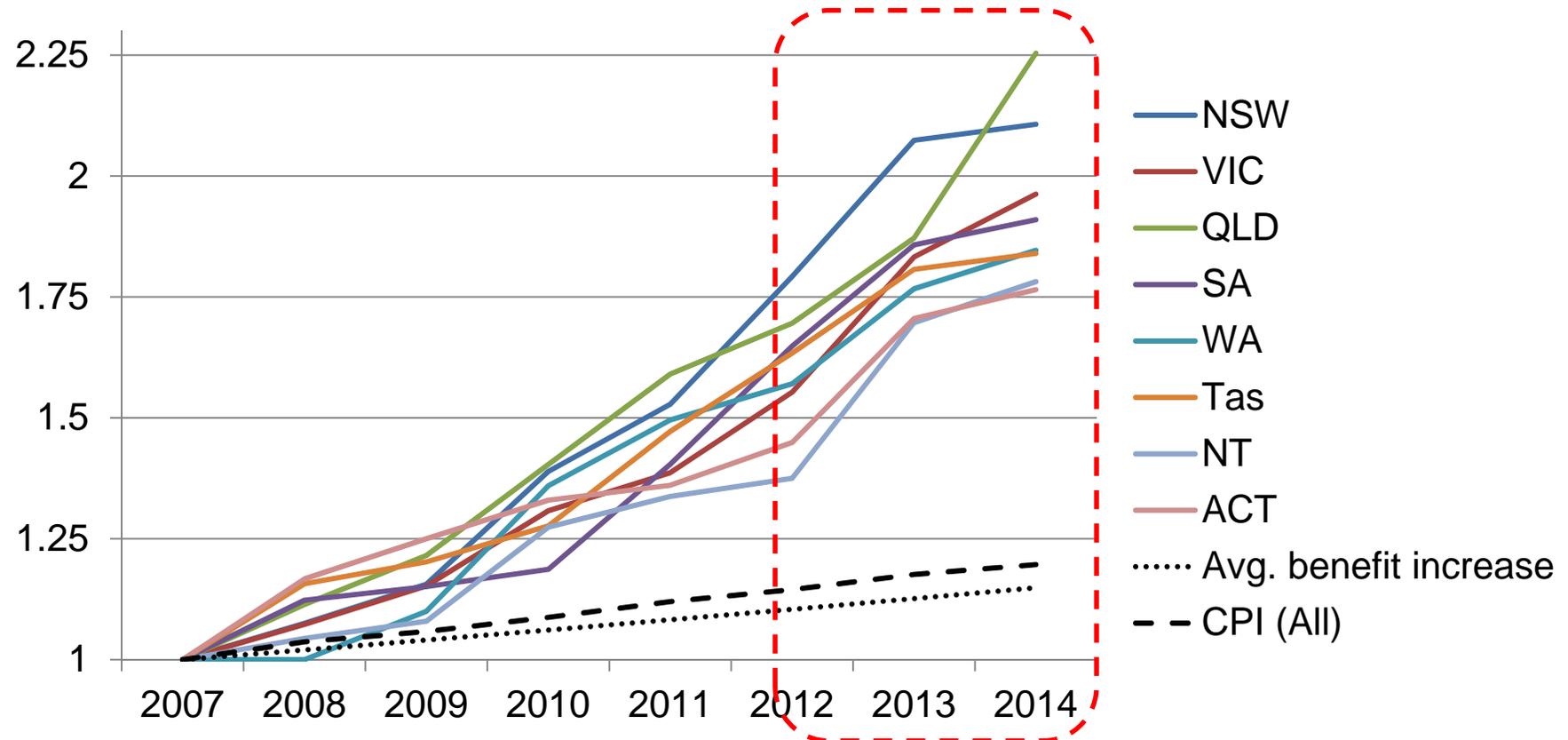
 - 4 household types x 4 jurisdictions

Background



Source: Chester 2015

Financial barriers



Financial barriers

- Cost of energy: *“I pay \$1,200 every three months. That’s just in electricity” (single-parent, NT)*
- Cost of efficient appliances: *“you can go to ALDI and get a fridge for \$200, but it might not have the same stars as if I go to Harvey Norman and get the one with the five stars. But it’s \$800, it’s like well it’s either \$200 or \$800, I have to go with the \$200 because I don’t have the money to go and buy the expensive one” (young single, NSW)*
- Eligibility for assistance

Non-financial barriers

- Split incentive: *“the landlord wasn’t interested in insulation. We offered to put solar panels but he wouldn’t hear of it and not interested in insulating the ceilings which is a pity” (older couple, TAS)*
- Personal pride & embarrassment: *“coming from working full-time... I’ve always been able to rely, I’ve always been able to pay my bills and put petrol in my car and buy food and stuff. Now not to be able to do that, it’s kind of embarrassing, isn’t it” (young single, NSW)*
- Inaccessible information: *“most of this... don’t know where to go or it’s a bit over our head. It has to be simplified” (older single, TAS) / “I don’t have internet hooked up at my place either because it costs too much. I can’t afford it. It’s a luxury” (young single, NSW)*

Non-financial barriers

- Personal capacity: *“lacking scope of action and partly also lacking knowledge about how energy-intensive certain actions are often leads the subjects to believe that they [were] already exhausting employing all possible means of saving energy” (Brunner, Spitzer & Christanell (2012: 58-9)*

Impacts on...

- Health: *“I mainly skip meals. I’ve gone four days without eating because I’ve had a bill I’ve got to pay” (older single, TAS) / “I have a small skin cancer on my chin and the doctor gave me a script of cream. When I went down and got it filled, I had to actually ask them to take the label off and put it back in stock because it was \$16 instead of the normal \$6.10 because it wasn’t on the [Pharmaceutical Benefit Scheme]” (older single, NSW)*
- Comfort & wellbeing: *“I’ve got ceiling fans in my bedroom and in the lounge room. I find that they do work but when it gets to 42, 43°C, you haven’t got a hope” (older single, NT) / “in winter of course, the chill gets in. I had pneumonia three times last year, so yeah, the heating is definitely a must” (older single, NSW)*

Impacts on...

- Stress & isolation: *“It is psychologically damaging to be always stressed about living in poverty” (older single, NSW) / “you can’t go and have... do gown the street and have a coffee, a cappuccino and a muffin or something” (older single, SA)*
- Relationships: *“my youngest daughter, she’s pregnant, just about to have a baby. I won’t be able to go and see that baby unless it’s in that week where it’s budgeted. She wants me to be there when the baby’s born and unless it’s in that week it’s not going to happen” (single-parent, SA) / “at Easter, I feel ashamed to say it but my daughter got one Easter egg. One round egg, that’s all I could afford for her” (single-parent, NSW)*

Overcoming the barriers

- Top-down versus(?) bottom-up
- Better information:
 - Simplify
 - Access
 - Trusted source

Home energy saving advice to help you save money

	<p>Heating In winter, set heater between 18°C and 21°C. Let the sun shine in windows. Close curtains at night.</p>		<p>Fridges and freezers Set freezers between -15°C and -18°C. Set fridges between 3°C and 5°C.</p>		<p>Hot water Take showers of 4 minutes or less.</p>
	<p>Cooling In summer, set air conditioner between 24°C and 27°C. Shade windows during the day.</p>		<p>Cooking Use smaller kitchen appliances when you can, e.g. microwave instead of the oven.</p>		<p>Washing clothes Wash clothes in cold water. Dry clothes on a clothes line.</p>
	<p>Close doors Only heat or cool rooms being used.</p>		<p>Stand-by power Turn off TVs and computers at the wall when not in use.</p>		<p>Lighting Turn off lights when you leave the room.</p>

For more information visit sa.gov.au/energy

Overcoming the barriers

- Political will power:
 - Prioritise renewables: *“Change their policy, decide they want to run clean energy sources, not necessarily solar on its own but clean energy in general” (older single, NSW)*
 - Ensuring assistance actually assists: *“a pay-on-time discount is useless, mostly because they’re not going to have the money, you know, to pay up front, direct debit. No one’s got the money to do that if you’re in that spot” (energy advocate)*
 - Impact investing: *“you can retain a negative gearing benefit if you are subsidising the ‘rent’ in inverted commas, which is what they keep saying is the whole purpose of negative gearing. Do it more intentionally and say that, as part of this process, re-evaluate negative gearing to make it actually achieve the outcome that it was intended to achieve and include environmental outcomes as part of that” (energy advocate)*

Conclusion

- Major barriers:
 - + political inactions
 - + misdirected financial assistance
 - + inaccessible information
- Wide & varying impacts of energy deprivation: physically, mentally, socially
- Redressing through a mix of top-down and bottom-up approaches
 - collaborative facilitation