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Energy concessions failing to reach low-income Australians

At least 1 in 5 eligible low-income households in the National Energy Market are not receiving their energy concession, a new report from the Consumer Policy Research Centre (CPRC) has found.

CPRC, CEO, Erin Turner, released the report today and called on state and federal governments to review the concessions system to ensure it works for the people who need it most.

“With the rise in cost-of-living and electricity prices tipped for a 50 per cent increase over the next two years, energy concessions can offer immediate cost-of-living relief for many low-income Australian consumers.

“We found a significant gap between the number of people eligible for energy concessions and those receiving the concession on their energy bill,” Ms Turner said.

“State and federal governments need to work together to make the system work for people on low-incomes doing it tough, rather than have consumers jump through many hoops to access their entitlements.”

The CPRC report analysed states in the National Energy Market and Victoria, with the largest gap in the ACT, with 41% missing out on their energy concession, followed by 38% of South Australian consumers, 35% of NSW consumers and 29% of Queensland consumers.

In Victoria, which operates under a different regulatory regime, 7% were missing out on energy concession, but more consumers were found to be missing out on critical cost-of-living supports on their water bill (22%) or their gas bill (12%).

“The difference between utilities, different regimes and states is not easily explained - part of the problem is piecemeal reporting about consumer outcomes. Governments and regulators need to bring together better data about the concession system.”

But why are low-income households not receiving their concession?

“Ultimately, the onus lies with consumers to navigate the administration required from government and energy retailers to get the rebate or discount they’re due.

“There can be low awareness, difficult systems, and sometimes consumers have done the hard yards, and their energy retailer still fails to apply their concession to a bill.

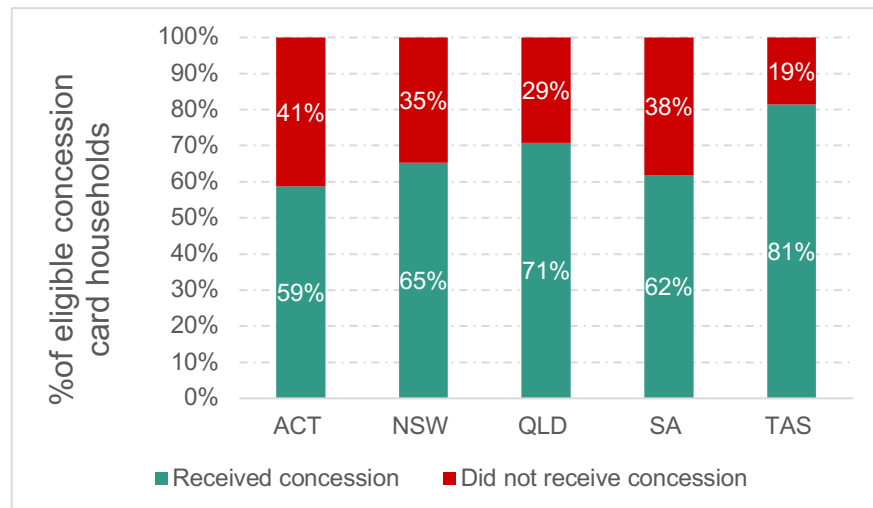
The CPRC report includes six key recommendations to bridge the concession gap – led by a joint review of the concession framework at the different levels of government.

More information, including the full report, *Mind the Gap - Identifying the gap between energy concession eligibility and concession received* is available at: www.cprc.org.au/mindthegap

Media Release

CPRC CEO Erin Turner is available for interview on request. Contact media@cprc.org.au or ph: 0493 539 466.

Concessions gap in National Energy Market states – electricity



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ADDITIONAL INFORMATION:

Background about concessions

1. How much is a concession on an energy bill worth?

Most states and territories in Australia offer a range of discounts or rebates on electricity and gas bills. Eligibility, amount and the process to apply for concessions differ significantly. For example:

- ACT: \$750 a year
- QLD: \$372.20 on electricity and \$80.77 on gas.
- NSW: \$285.
- Victoria: A 17.5% discount applied to the electricity usage and service costs component of their bill.
- SA: \$241.63 a year
- TAS: 157.46 cents a day

2. If someone is missing out on a concession, how can they get it applied?

1. Check to ensure you have a valid concession card
 - This includes pension concession card, health care card and DVA Gold card, but there are others eligible concession cards depending on state/circumstances.
2. Register concession with retailer
 - In SA need to apply online via online form OR

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- i. download and fill out application for household concession form + email /send to SA gov OR
 - ii. Contact Concessions SA by phone to request form be sent
- In all other jurisdictions, call your retailer directly – will still require filling out a form which has to be applied.
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Mind the gap - Identifying the gap between energy concession eligibility and concession received

Full report: www.cprc.org.au/mindthegap

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Author: Ben Martin Hobbs

CPRC

Consumer Policy Research Centre (CPRC) is an independent, non-profit, consumer think-tank established to work with policymakers, regulators, academia, industry and the community sector to develop, translate and promote evidence-based research to inform practice and policy change.

Erin Turner, CEO | CPRC

Erin Turner is a consumer advocate dedicated to working with governments and regulators to make markets fairer for Australians. With a wealth of experience in governance, policy, communications and research, Erin leads now leads the powerhouse team at CPRC. Prior to CPRC Erin spearheaded the advocacy and communications team at consumer group CHOICE and worked for ACCAN and the CBAA. Erin has Master of Politics and Public Policy and is a board member of the Australian Financial Complaints Authority (AFCA) and the Chair of the Financial Rights Legal Centre