



Lower income barriers to low carbon living

Never Stand Still

Built Environment

City Futures Research Centre

Edgar Liu & Bruce Judd

Background

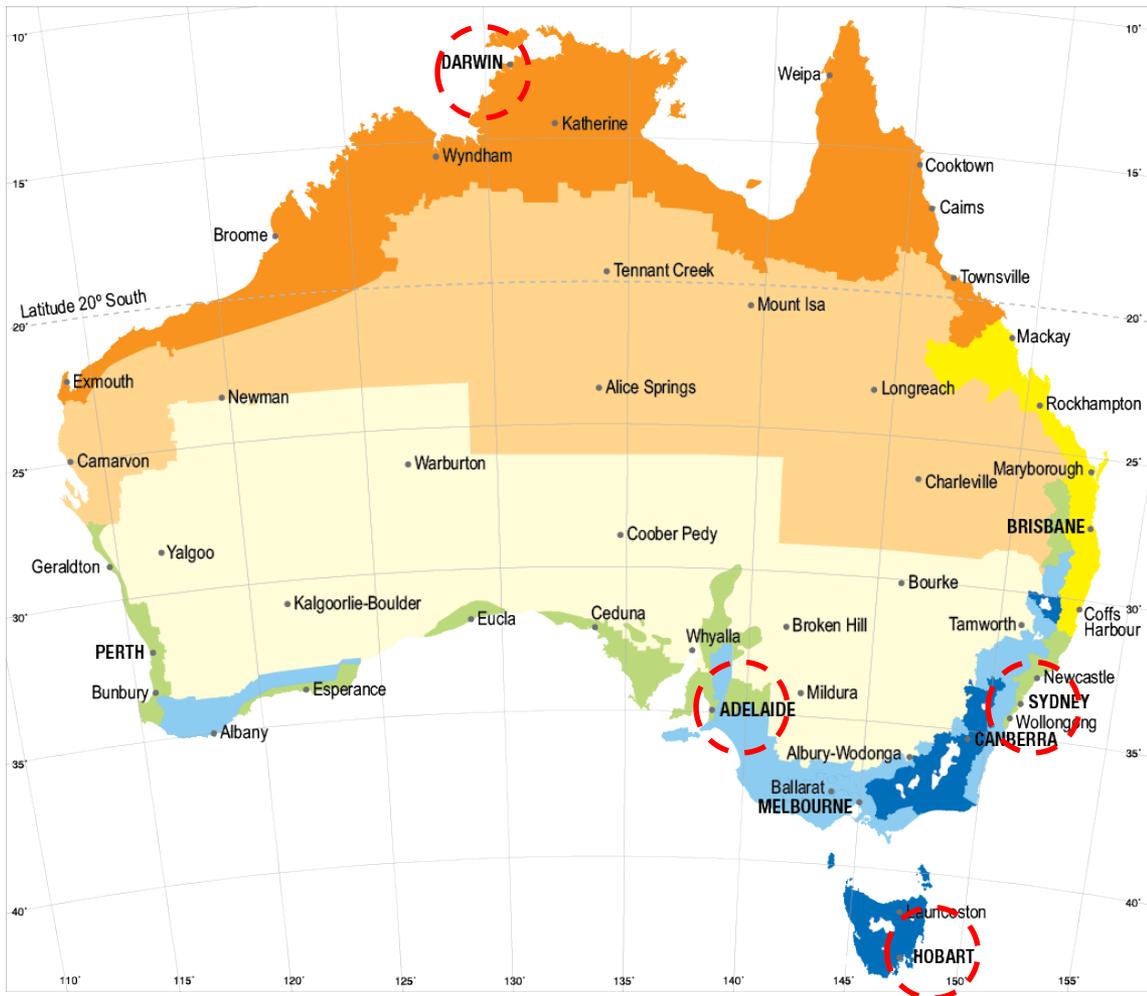
- CRC LCL RP3038
 - In-kind partners: Salvation Army, NSW OEH, Council of the Ageing

- *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

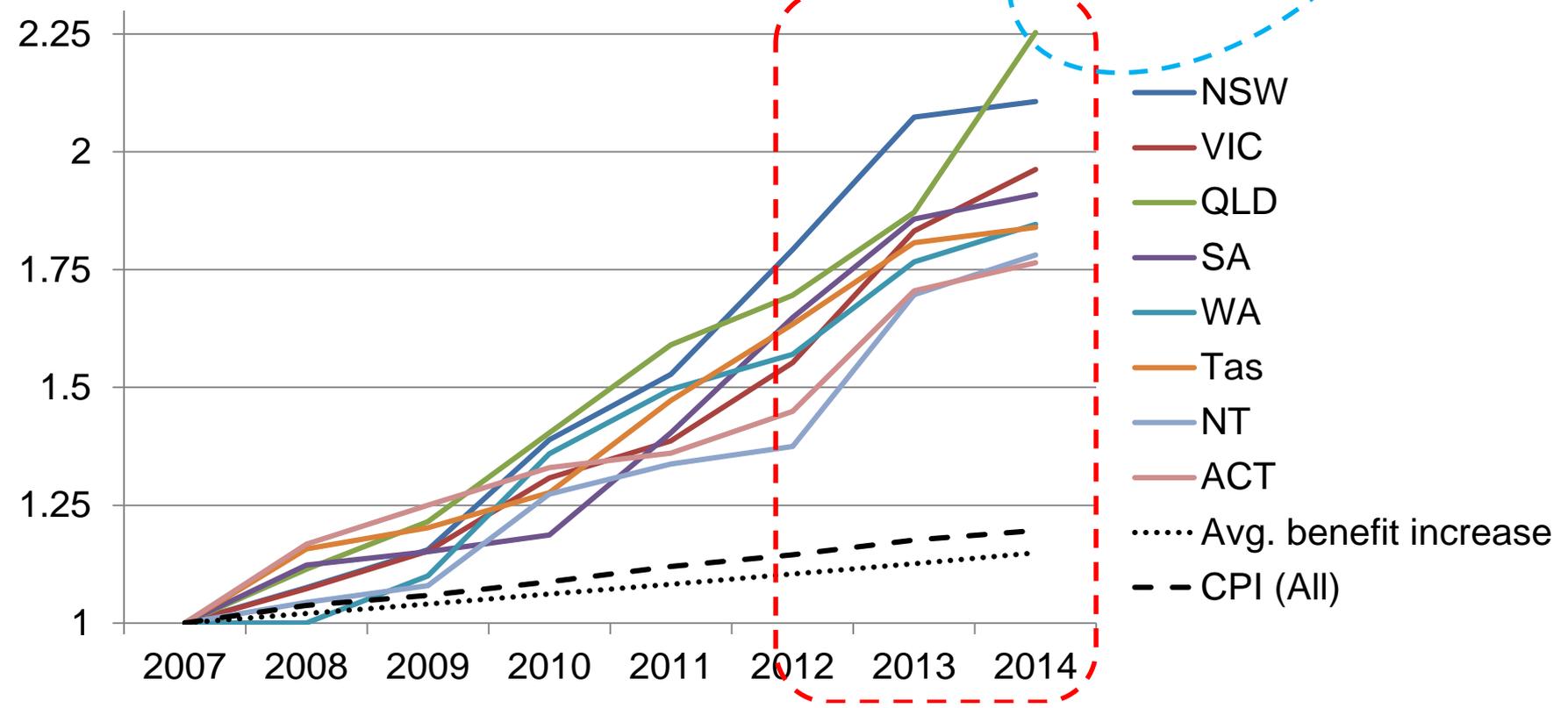
- Methodology
 - Literature and policy reviews
 - Focus group discussions with lower income households (incl. survey & scenarios) [23 groups, 164 participants]
 - Stakeholder interviews [14 interviews, 18 stakeholders]
 - Policy workshops [4 workshops, 31 discussants]
 - 4 household types:
 - young singles
 - single parent families
 - larger households (5+)
 - older singles/couples
 - 4 jurisdictions

Background



Zone	Description
1	Hot humid summer, warm winter
2	Warm humid summer, mild winter
3	Hot dry summer, warm winter
4	Hot dry summer, cool winter
5	Warm temperate
6	Mild temperate
7	Cool temperate
8	Alpine

Financial barriers



Source: Chester, L. (2015). "The privatisation of Australian electricity: Claims, myths and facts." *The Economic and Labour Relations Review* 26(2): 218-240.

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

“My electricity I couldn’t get any discounts on – rebates, because I didn’t have a pension card [unclear], except their gold card – this was a health card from the Veterans’ Affairs, full medical, war service. But that didn’t apply. They wanted – they kept asking for a Centrelink card, not a veteran’s card.” (older single, NSW)

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)

“We come from a different time where you don’t ask for charity.” (older single, TAS)

“I can’t speak for everyone, but I know as a male, I don’t like to ask for help or assistance. [...] I’d rather struggle than ask for assistance.” (young single, NSW)

Non-financial barriers

- 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)

- Personal capacity

Impacts on...

- 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)

“We go to bed early so that we don’t use the power. We’ll go to bed at seven o’clock.” (older couple, SA)

- Physical 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 PBS (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)

“I stay in bed all day if I stay home. My doctor doesn’t like me doing that. Just pull the blankets over your head and forget the world exists.” (older couple, TAS)

- 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)

What can be done?

- ‘Better’, more accessible information

“I said it’s too bloody complicated. Can you give us a simple English – what’s going on?” (older single, NSW)

“Put on the bottom of that are you aware that you can get concessions or rebates through this, this and this” (older single, SA)

Home energy saving advice to help you save money

<p>18°C to 21°C</p>	<p>Heating In winter, set heater between 18°C and 21°C. Let the sun shine in windows. Close curtains at night.</p>	<p>-15°C to -18°C 3°C to 5°C</p>	<p>Fridges and freezers Set freezers between -15°C and -18°C. Set fridges between 3°C and 5°C.</p>	<p>4 minutes</p>	<p>Hot water Take showers of 4 minutes or less.</p>
<p>24°C to 27°C</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>Cool wash Hang dry</p>	<p>Washing clothes Wash clothes in cold water. Dry clothes on a clothes line.</p>
<p>Close</p>	<p>Close doors Only heat or cool rooms being used.</p>	<p>Off</p>	<p>Stand-by power Turn off TVs and computers at the wall when not in use.</p>	<p>Off</p>	<p>Lighting Turn off lights when you leave the room.</p>

For more information visit sa.gov.au/energy

What can be done?

- Assistance that is fit for purpose

“When we do e-voucher we have to ring. The bill has to be overdue before we can do that. [Facilitator: So that adds a cost to them because there’s an overdue penalty.] Yes.” (charitable organisation)

“A pay on time discount is useless, mostly because they’re not going to have the money, you know pay up front, direct debit. No one’s got the money to do that if you’re in that spot.” (energy advocate)

What can be done?

- Addressing split-incentives

“Laws about rentals. I think there should be, all rentals should have the door seals like I explained to you before, and some sort of energy efficient heating I guess. But simple things like that – insulation standards, make sure the batts in the ceiling are x amount of thickness, and simple things like that.” (single-parent, TAS)

“So if they, for instance, make their home a little bit more energy smart that they could get some kind of tax reduction on their investments or something like that, that would be... again, if you're an investor you're in it for financial reasons.” (charitable organisation)

What can be done?

- Supporting advocates / support services

“It isn’t terribly useful to have a program run for 12 months. As I said before, you’re just getting going. You’re getting your staff on board. You’re getting up. You’re getting out there. Then very soon you’re writing your final report and your financial acquittal to say well it’s all done and dusted.” (energy advocate)

“It becomes a sort of a programmatic issue for an advocacy organisation and an organisation that relies on grant funding to actually make things happen. ... We were very keen to do work in the space but without resourcing we’re very limited in what we can do.” (welfare advocate)

What can be done?

- Political commitment:

“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)

- 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)

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Carbon reduction programs and lower income households in Australian cities

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Abstract

This paper presents preliminary findings of a recent research project in Australian cities: Sydney, Adelaide, Hobart, and Darwin. Case studies implemented by federal and state governments and support organisations of the methodology (policy reviews, focus group discussions with low-income providers and advocacy groups) to address issues that underlie the households. These include housing quality and tenure; health conditions; living and environmental decision-making. This is followed by a review available to households living in different Australian jurisdictions. The effect of their access to these programs, their perceived effectiveness in achieving (or not) to the low-income carbon reduction techniques already on offer, and the challenges and limitations support service providers and advocacy groups reduction programs. It concludes with a discussion of potential policy options to ensure the intended outcomes of these carbon reduction programs are met in 2017. The authors. Published by Elsevier Ltd. This is an open access article (<http://creativecommons.org/licenses/by-nc-nd/4.0/>). Peer review under responsibility of the organizing committee. IJBE 2016. **Keywords:** Australian cities; lower-income households; carbon reduction programs

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ADDRESSING AUSTRALIA'S WORSENING ENERGY DEPRIVATION

POLICY NOTE



SUMMARY

Broad engagement with lower income households, industry, government and other stakeholders reveals that energy deprivation is a significant barrier to low carbon living.



7/10/2017

It's not easy being green, especially when affordable help is so hard to find

THE CONVERSATION



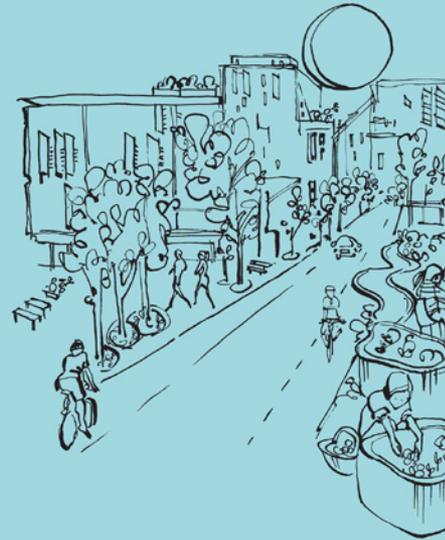
RP3038: Lower income barriers to low carbon living
 Summary of focus group and survey findings



CRC for Low Carbon Living
 The CRC for Low Carbon Living (CRCCL) is a national research and innovation hub that seeks to enable a globally competitive low carbon built environment sector and a research centre.



RP3038: Lower income barriers to low carbon living
 Policy pathways to addressing barriers



stra
 ly when affordable help is
 huge uptake of A\$1 billion Clean
 risk of being left
 out low-carbon
 misdirected.
 these households
 discussions with 164
 entries in New
 y. Our aim was to
 It's so hard to find

<http://www.lowcarbonlivingcrc.com.au/research/program-3-engaged-communities/rp3038-lower-income-barriers-low-carbon-living>