

ACOSS submission to Bushfire Royal Commission



15 May 2020



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ACOSS would like to thank our members who contributed to the recommendations in this report.

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Introduction

ACOSS welcomes the opportunity to make a submission to the Royal Commission on National Natural Disaster Arrangements (Bushfire Royal Commission), which aims to examine coordination, preparedness for, response to and recovery from disasters as well as improving resilience and adapting to changing climatic conditions and mitigating the impact of natural disasters.

ACOSS' views on national natural disaster arrangements come from our role representing the interests of people on low-incomes and those experiencing the impacts of poverty and disadvantage in Australia, as well as our role as the peak body for the community services sector.

As the peak body for the community sector, we represent all of the major charities involved in emergency responses, disaster recovery and resilience efforts.

Our recommendations have been developed based on research and the experience of our members dealing with natural disasters and extreme weather events over many years, including the recent unprecedented bushfires spanning 2019 and 2020.

Natural disasters such as bushfires, cyclones and storms, flooding, drought and heatwaves; can cause destruction of property and infrastructure, loss of lives, loss of employment and livelihoods, impact on health and wellbeing, and increase cost of living.

The impacts can be both direct and indirect. For example, in the case of the 2019/2020 bushfires there were devastating consequences in the communities where the fires burned including loss of life, property and livelihood. There were also indirect impacts though smoke haze spreading to other regions causing significant health impacts, including attributing to 471 additional deaths and increased hospitalization.¹ Added to this was the displacement of affected communities to other communities not directly affected by the fires.

Recovery can take years, and while recovery is positive for most there remains a group of people that struggle with their recovery. Many of these will take a number of years more to regain their previous state of health, welfare and happiness and to fully re-engage with their lives, while many will not recover at all.²

According to analyses by Deloitte Access Economics, the social costs of natural disasters is equal to and possible greater than the more traditionally defined

¹ <https://www.mja.com.au/journal/2020/213/6/unprecedented-smoke-related-health-burden-associated-2019-20-bushfires-eastern>

² Hubbard B, *Report to the Victorian Government of the 2009 bushfire-affected communities five year consultation*, 2014

economic costs.³ They argue greater effort should be invested in preparedness and recovery of people.

ACOSS's proposals are designed to improve our preparedness and resilience to respond to future natural disasters, which are predicted to increase in frequency and intensity due to human induced climate change.

People experiencing disadvantage are most vulnerable to natural disasters

There are about 3 million people in Australia, including over 750,000 children, living below the poverty line.⁴ Housing and energy prices and levels of household debt are at unprecedented levels. In international context, Australia has the 14th highest poverty rate out of the 34 wealthiest countries in the OECD – higher than the average for the OECD; higher than the UK, Germany and New Zealand.⁵

People dependent on low incomes and experiencing disadvantage are more vulnerable to the impacts of natural disasters and extreme weather events because they are less able to cope, adapt and recover.

People most vulnerable to extreme weather impacts include:

- † People on low incomes
- † People who are unemployed
- † People living in poor quality housing or in the private rental market
- † Frail older people
- † Aboriginal and Torres Strait Islander peoples
- † Single parents
- † Newly arrived migrants and refugees
- † People with a disability and their carers
- † People experiencing homelessness
- † Women and children at risk of family violence

People experiencing poverty or disadvantage before a natural disaster are often left worse off after the event. Natural disasters can not only entrench poverty but can drive people into poverty. For example

- † Lack of or under-insurance and the rejection of insurance claims, leave people unable to live in or to repair their homes;
- † Loss of employment through disruptions to and closures of local businesses;
- † Loss of rental tenancies and inability to meet higher bond payments and

³ <http://australianbusinessroundtable.com.au/assets/documents/Report%20-%20Social%20costs/Report%20-%20The%20economic%20cost%20of%20the%20social%20impact%20of%20natural%20disasters.pdf>

⁴ Davidson, P., Saunders, P., Bradbury, B. and Wong, M. (2018), Poverty in Australia, 2018. ACOSS/UNSW Poverty and Inequality Partnership Report No. 2, Sydney: ACOSS https://www.acoss.org.au/wp-content/uploads/2018/10/ACOSS_Poverty-in-Australia-Report_Web-Final.pdf

⁵ <https://data.oecd.org/inequality/poverty-rate.htm>

rents;

- † Increased pressure on public housing waiting lists; and
- † Increased living costs due to the rise in the costs of food and other essential services also affected by the natural disaster.

Community Sector Organisations play a critical role in disaster response

The community and charitable sector plays a crucial role both during the emergency response to a disaster, and also importantly in the long response and recovery process in the months and years that follow.

Community service organisations (CSO) are embedded within their communities, deliver key services across local communities, have in-depth knowledge of local people, history, risks and vulnerabilities and are best placed to understand and identify their support needs. The services they provide are a critical feature of Australian society, complementing the income support system as well as health and education systems. As such, community service organisations comprise an essential component of the social infrastructure. Indeed, for many people experiencing poverty, disadvantage and social exclusion, these organisations are often the primary source of connection to the broader community and form the basis of their resilience to everyday adversity as well as in times of crisis.

However, a major research project by NCCARF, ACOSS and Climate Risk⁶ found that:

- † CSOs are highly vulnerable and not well prepared to respond to natural disasters, especially as they increase in frequency and intensity due to climate change, with many small and medium-sized organisations at risk of permanent closure as a result of major damage to physical infrastructure and disruptions to critical services. For example, the survey results demonstrate that one week after an extreme weather event, 50% of organisations that sustain serious damage to their premises would still be out of operation and 25% might never provide services again.
- † The detailed consequences of major disruptions to social service provision for people experiencing poverty and inequality – for whom CSOs are the shock absorbers for everyday adversity as well as crises – are very serious as they give rise to fundamental threats to human survival: homelessness, deprivation, hunger and isolation.

⁶ Mallon, K, Hamilton. E, Black, M, Beem, B, and Abs, J. (2013) Adapting the Community Sector for Climate Extremes. https://www.nccarf.edu.au/sites/default/files/attached_files_publications/Mallon_2013_Adapting_community_sector.pdf

- † Despite the size of the problem of CSO vulnerability and the severity of its consequences, to date the community sector has been overlooked in the climate change adaptation policy settings and research agendas of developed economies as evidenced by major gaps in the academic and grey literature.
- † CSOs have a stated desire to prepare for and adapt to climate change and extreme weather impacts and, if well prepared, they have inherent skills, assets and capabilities to enhance community resilience to climate change and in response to disasters. These include the ability to educate, contact, locate and evacuate vulnerable people with specialist needs; the delivery of services such as counselling, case management and volunteer management; and access to specialist assets and facilities such as disability transport.
- † CSOs perceive an overwhelming range of barriers to action. Key amongst these is a lack of financial resources and skills and the concern that adaptation is 'beyond the scope' of the sector's core business. If increasingly frequent and intense extreme weather events represent a new 'normal' for CSO operation, then adapting the community sector for climate extremes must be a priority for governments and other funders.

Despite their connection with local communities and their ability to provide critical information and services during and after extreme events, the lack of formal recognition and resourcing of community service organisations to participate in emergency planning and response has also meant that understanding and supporting the preparedness of this critical sector has been overlooked.

For example, a survey of the community sector found the lack of adequate financial resources and inflexible contracting for service arrangements were key barriers to climate change adaptation. Lack of financial resources prevents organisations from engaging in resilience and capacity building to prepare for disasters. Inflexible contracts for service provision place limits on organisations' capacity to participate effectively in emergency response and recovery efforts and to meet increased demand for services during and after disasters.

This lack of adequate financial resources is exacerbated for many community service organisations by rigid service funding contracts, which fail to make allowances for the impacts of disasters on their capacity to deliver services as contracted or provide for a pre-agreed proportion of resources to be used in the delivery of services to meet needs during crisis and recovery.

The climate crisis is increasing the vulnerability of people and the community sector

Over the past few years Australia has experienced an increase in extreme weather events.⁷ ACOSS is concerned by the overwhelming scientific evidence that finds extreme weather events like heatwaves, fires, floods and storms are increasing as a result of the climate crisis, threatening people's homes, livelihoods, health, quality of life, employment and the environment that sustains us.

A recent report by Insurance Australia Group and the National Centre for Atmospheric Research finds the risk of climate change impacts is increasing significantly in most regions in Australia.⁸

More people are likely to face greater hardship as extreme weather events increase and intensify, therefore failure to limit further climate change risks causing greater poverty and inequality in the future.

Australia has committed to achieving the Paris Agreement to limit global temperature increases to well below 2°C and pursue a limit of 1.5°C.⁹ As a relatively wealthy developed nation, we have a responsibility to lead by responding more rapidly than less developed countries. The government has set a 2030 emissions reduction of 26-28% on 2005 levels,¹⁰ which is inadequate to meet the Paris goal.

At a national level there are no credible policies in place to reduce Australia's emissions, which continue to rise. Independent global analysts, ClimateTracker, find that: 'for Australia to meet its 'Insufficient' 2030 emissions targets, Australian emissions should decrease by an annual rate of 1.5% to 1.7% until 2030; instead, with current policies, they are set to increase by an annual rate of around 0.3% per year.'¹¹

Failure to rapidly reduce emissions is putting at risk the environment, threatening people's homes, livelihoods, health, quality of life, employment and increasing risks and burdens for future generations.

⁷ Climate Council (2018) Weather Gone Wild: Climate Change – Fueled Extreme Weather in 2018 <https://www.climatecouncil.org.au/wp-content/uploads/2019/02/Climate-council-extreme-weather-report.pdf> and Climate Council (2019) Dangerous Summer: Escalating Bushfire heat and drought risk https://www.climatecouncil.org.au/wp-content/uploads/2019/12/report-dangerous-summer_V5.pdf

⁸ Bruyère, C., Holland, G., Prein, A., Done, J., Buckley, B., Chan, P., Leplastrier, M., Dyer, A. (2019). Severe weather in a changing climate. Insurance Australia Group (IAG). doi: <http://dx.doi.org/10.5065/nx7j-0s96>

⁹ <https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement>

¹⁰ <http://www.environment.gov.au/climate-change/publications/factsheet-australias-2030-climate-change-target>; https://wedocs.unep.org/bitstream/handle/20.500.11822/26879/EGR2018_ESEN.pdf?sequence=10 and <https://climateactiontracker.org/countries/australia/current-policy-projections/>

¹¹ <https://climateactiontracker.org/countries/australia/current-policy-projections/>

While there are likely to be some costs as we transition to a clean economy, delayed action now will require faster, more expensive and more disruptive change in the future, creating intergenerational inequity and heightening risks of more dangerous climate change.

Where there are costs, those most at risk of disadvantage must be supported financially through the transition, including those on low incomes.

We need to build resilience to natural disasters and climate change

Even if we rapidly reduce emissions, the world has already locked in significant levels of pollution.

Policies are needed to build the resilience of community sector organisations and people experiencing poverty and disadvantage to reduce their vulnerability to climate change.

In this context resilience is building capacity to cope with natural disasters, maintain essential function, and support to adapt, learn, and transform.

If not addressed, this will lead to significant social justice issues and increase demand for financial and services support.

Resilience is best built well before and far beyond the management of disasters and emergency risks. As well as promoting the wellbeing of socially vulnerable people in emergencies, its broader benefits include the social and economic wellbeing of our communities, states and nation.

Recommendations

1. Consultation to consider development of a disaster management body

Better coordination is needed between federal, state and local governments, emergency services, and the community sector to improve disaster management preparation, response, recovery, and resilience building, especially given the predicted increase in intensity and frequency of natural disasters as a result of the climate crisis. Consultation should be undertaken to consider whether a disaster management body is established that brings key stakeholders together to put in place processes and implement disaster management preparation, response, recovery, and resilience building.

Better meet the needs of people impacted by natural disasters

2. Increase the Australian Government Disaster Recovery Payment from \$1,000 to \$3,000, and from \$800 per child to \$1,000 per child for people who have been adversely affected by the bushfires.

While ACOSS welcomed the Government's announcement on 15 January 2020 to increase the Disaster Recovery Payment for children, the Disaster Recovery Payment for adults remains seriously inadequate, particularly for people with low incomes and few resources from which to draw. We recommend an urgent increase to this payment, which has remained unchanged since 2006. We also recommend that these payments be indexed in line with wage growth annually.

3. Increase income support to help people recover

The base rates of income support for people without paid work are totally inadequate to cover the cost of living. JobSeeker Payment (without the temporary Coronavirus Supplement) is just \$40 a day. People cannot eat three meals a day or cover the cost of other essentials on such little money. The Australian Government must permanently increase JobSeeker Payment, Youth Allowance and related payments to help people get by, especially during times of crisis.

4. Increase the Disaster Recovery Allowance

ACOSS welcomed the Prime Minister's announcement in early January that the Disaster Recovery Allowance will not be taxable. Despite this, the allowance, paid at the 2019 Newstart level (or Youth Allowance for young people), is inadequate to cover basic living costs. We call for an increase to these allowances to help people recover from natural disasters, also recognising that many people who have lost their paid work will need more than 13 weeks of assistance.

5. Rent Assistance for people on Disaster Recovery

Commonwealth Rent Assistance should be made available for people eligible for the Disaster Recovery Allowance who are renting privately for the period of recovery¹².

6. Increase funding for food relief

Food relief is critical for people, families and communities that are affected by bushfires. ACOSS recommends allocating additional funding to food relief community sector organisations to respond to the surge during natural disasters (for example ACOSS called for an additional \$30 million during the 2019/2020 summer bushfires).

7. Streamline Government payment processes so that help gets to people on the ground quickly

It is important that people can access payments and supports without unnecessary bureaucracy. Centrelink and Services Australia should exercise leniency and

¹² Disaster Recovery Allowance recipients are currently ineligible to receive Commonwealth Rent Assistance.

flexibility in the administration of recovery and crisis payments to ensure people in need receive them, including where people cannot readily provide the required documentation because they have lost their home or do not have access to their home.

8. Streamline coordination of governments and community disaster recovery assistance

Governments and community leaders should work together to streamline provision of financial assistance as part of the recovery. This should include collaboration to remove the need for people to lodge separate applications with the same information to different levels of government, with adequate privacy protections. Local coordination will be essential to increase accuracy of the range of supports, financial and other assistance available, as will coordination at all levels of government to create a 'no wrong door' approach. A person should be able to access all relevant levels of government and other assistance regardless of which level of government they contact in the first instance.

9. Expand Mobile recovery centres and outreach clinics

The use of mobile recovery centres and outreach clinics that operate after hours should be expanded in regional and rural areas to ensure that individuals from smaller communities can access the support they need. This outreach should include representation from the relevant Commonwealth and state agencies, with the support of community service organisations.

10. Suspend Cashless Debit and Income Management

During extreme weather events and its immediate aftermath, the Federal Government should suspend all mandatory income quarantining measures (should they be in place) to ensure that people are not without access to cash.

11. Cover funeral costs for people who have lost their lives in a natural disaster

Many families and communities face the terrible loss of a loved one as a result of natural disasters. Given that these families are likely to be placed in a very difficult financial situation (e.g., many may have lost property, income, etc.) we propose that the Federal Government include funeral costs (which average over \$7,000) as part of its response to natural disasters. This support should be provided to complement other assistance provided by NGOs.

12. Ensure mutual obligation requirements and social security debt recovery processes are suspended in affected regions

ACOSS welcomed the decision to suspend debt recovery and mutual obligation arrangements for people receiving income support in bushfire affected areas. We also welcomed the temporary national freeze of mutual obligation requirements. However ACOSS raised concerns that the freeze was too short a time period.

Going forward these types of arrangements should be built into all responses to natural disasters and ensure the period is adequate.

13. Require essential service providers to provide relief to customers

Require essential service providers, including energy, water, and telecommunications, to provide relief to customers during natural disasters and the immediate aftermath by implementing:


- A temporary suspension on billing
- A moratorium on disconnections in affected areas
- A moratorium on debt collection and recovery actions in affected areas
- A mechanism to ensure the automatic, proactive referral of people in affected areas to retailer/provider's hardship team and offer universal access to assistance measures such as bill smoothing and payment plans
- The promotion of the availability of rebates, as people who were previously ineligible might now be eligible
- Steps to ensure people are on the retailer's best offer, as applicable
- A mechanism to ensure that any debt and reconnection fees are automatically waived for people who had their homes directly affected by a natural disaster.
- Public messaging to affected communities so that people are aware that support that is available

14. Governments assist to identify short-term accommodation

Governments should establish a searchable register of local, state and federal government land or properties suitable for short to medium-term housing to enable families to remain within their community as they recover.

15. Boost investment in social and community housing in affected areas

The Federal Government should work with state and territory governments to conduct a loss and need assessment of social and community housing when communities are impacted by natural disasters. We know that some public and community housing dwellings have been destroyed or damaged in the fires and will

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need to be repaired or replaced urgently. Beyond that, given increased financial hardship and the destruction of thousands of dwellings in affected communities, new public and community housing dwellings should be developed as a priority. This would reduce homelessness, ease financial and rental stress for people who have lost homes and livelihoods and generate strong economic benefits including job opportunities in affected local economies.

16. Additional funding to meet demand for social support services post disaster

Natural disasters can impact on health and wellbeing and can lead to an increase in domestic violence, substance use disorders, and mental health concerns. The health and wellbeing impacts can occur during the natural disaster or take months to emerge. Demand for social service supports significantly increase, however there are often inadequate funds made available to meet the surge in demand. To address these gaps we recommend that:

- All governments ensure that funding and resources are provided to meet an expected increased demand for legal and social support services.
- All governments ensure that adequate mental health support is available to disaster affected communities in the short, medium and long term.
- Governments increase specialist domestic and family violence services, particularly in the short to long-term recovery period after a disaster.
- Additional support be tailored and responsive to community needs, particularly in regional and rural areas.

Support Community sector organisations to respond to natural disasters

17. Provide flexibility for Community Sector Organisations to expedite emergency grant arrangements

Review and amend the Public Governance, Performance and Accountability Act 2013 (Cth) and the Commonwealth Grants Rules and Guidelines 2017 to provide more flexibility during a national emergency for non-corporate Commonwealth entities to expedite grant arrangements and variations, given to provide financial assistance to those affected by natural disasters.

18. Provide a Contingency Flexible Fund for Community Sector Organisations

The Federal and State/Territory Governments should provide a contingency fund and ensure contracts for service delivery provide greatest flexibility to enable Community Sector organisations (CSOs) to participate effectively in disaster response and recovery efforts. Specifically, the Fund should include provisions and additional funding that:

- Enables CSOs to manage surge capacity to meet the increased demand for services during and in the aftermath of the disaster
- Ensures immediate financial compensation for CSOs affected by intensive unprecedented response and recovery efforts
- Ensures CSOs are not penalised for failing to meet contractual obligations due to their participation in disaster response and recovery efforts (for example, Minister Ruston provided this assurance in the case of her Department during the most recent bushfire crisis)

19. Support ACOSS and the COSS network to create a one stop national online resource for how to get help and how to help in the disaster crisis.

During the 2019/2020 Bushfires a number of our members developed excellent up-to date resources, but identified that people affected would greatly benefit from a one-stop resource which consolidates and links these resources across our membership including at national, state and territory and local level. There would be an immediate start-up cost, and ongoing cost for retaining and updating, in preparedness for further events. A further proposal for ongoing development and maintenance would be submitted in due course.

Improve people's resilience to the impacts of climate change

20. Update the National Climate Resilience and Adaptation Strategy 2015

Update the National Climate Resilience and Adaptation Strategy 2015, to specifically include socially vulnerable Australians and the community services sector as one of its eight priority sector and policy areas.

21. Social Vulnerability Map

Support the development of an Australian social vulnerability map similar to ClimateJust in the United Kingdom or the Social Vulnerability Index in the United States, to support the development of local climate change adaptation and

resilience plans that better addresses the needs of people and communities more vulnerable to natural disasters.¹³

22. Fund local councils to improve community resilience

Fund local councils to work with federal and state governments, the health sector, emergency management sector, community service organisations and other relevant stakeholders to develop local climate change adaptation and resilience plans, and support programs to strengthen individual and local communities' capacities to better adapt and become resilient to local climate change factors..

23. Strengthen resilience of people more vulnerable to natural disasters

Resource Community Service Organisations to build resilience of their clients, by:

- Delivering the emergency RediPlan (personal emergency plan) to community sector clients¹⁴
- Implementing plans to ensure vulnerable people are protected during emergencies.

24. Improve the resilience of energy supply

Integrate the findings from IPART's Electricity Distribution Reliability Standards Review¹⁵ and the AEMC's Review of the Regulatory Frameworks for Stand-Alone Power Systems (SAPS)¹⁶ to improve the resilience of communities and their energy supply in remote, edge of grid, bushfire vulnerable areas.

In addition to energy for homes and businesses, Stand-Alone Power Systems also support resilience of the water, communications, emergency response and transport systems.

25. Invest in energy efficiency for low income homes

More than 95% of homes in Australia have poor energy efficiency (an average star rating of 1.7 compared to 6.1 of current new homes) leading to higher energy bills or energy deprivation, serious health impacts and financial stress. More efficient and resilient homes can reduce the impact of extreme weather events, in particular heatwaves (more people die of heatwaves in Australia than any other natural disasters combined¹⁷) and reduce demand on energy system and the overall costs of the system.

¹³ www.climatejust.org.uk/resources; <https://toolkit.climate.gov/tool/social-vulnerability-index>

¹⁴ Available at: <https://www.redcross.org.au/campaigns/prepare/prepare-protect-what-matters>

¹⁵ ???

¹⁶ ???

¹⁷ ???

ACOSS recommends the introduction of a range of measures to improve the energy efficiency of existing homes, including mandatory energy efficiency standards for rental properties, federal and state government investment in upgrading social housing, and a fund to support people on low incomes who own their own home. This proposal will build resilience to extreme weather events such as heat waves, improve ongoing health and wellbeing, provide energy cost relief, and reduce emissions.

Improve disaster resilience of Community sector organisations

26. Support ACOSS and COSS network to strengthen the resilience of community service organisations


In 2016, ACOSS developed a Resilient Community Organisations ToolKit¹⁸ specifically designed for CSOs to undertake risk assessments and implement disaster management and service continuity plans. However, reallocation of Federal funding to jurisdiction disaster funds has meant ACOSS has been unable to secure the ongoing funding necessary to deliver training to assist CSOs to implement the toolkit and build a community of practice for CSOs to strengthen their leadership roles in disaster management. Supporting ACOSS to partner with the COSS Network to embed the toolkit more widely in CSOs would strengthen future resilience.

27. Create and ongoing Disaster Management Grants Scheme for Community Sector Organisations

A disaster management grants scheme would support CSOs participation in local, state and territory and national processes, as appropriate, to be better prepared for emergencies and disasters, to ensure continuity of care for people who face vulnerabilities, and to adapt to the effects of extreme weather events and the climate crisis. The proposed Disaster Management Grants Scheme for CSOs would offer rolling grants for the following purposes:

- To participate in planning, response and recovery at appropriate levels.
- To undertake extreme weather preparedness and response training for staff, volunteers, and local communities.
- To undertake sector specific risk assessments and implement disaster management and service continuity plans.
- To undertake adaptation and preparedness benchmarking specific to community service provisions that enable organisations, their funding agencies and insurers to plot progress towards risk reduction, resilience and

¹⁸ Resilient Community Organisations Website <http://resilience.acoss.org.au>

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adaptive capacity.

Affordable, accessible insurance

As extreme weather and natural disaster events increase in Australia, insurance premiums are escalating and too many people, particularly people on low incomes, find themselves under-insured or not insured.

28. Establish a review on affordable insurance.

Establish a review on insurance affordability in Australia, with regard to worsening impacts of climate change and rising levels of financial difficulties. The review should consider options for ensuring insurance coverage for people on low incomes.

29. Support low-cost insurance products

The Government should support expanding access to low-cost insurance for home contents and motor vehicles for people on low incomes. For example, [Good Shepherd Microfinance](#), in partnership with Suncorp/AAI, currently offers premiums of as little as \$4 pw for eligible people.

30. Make home insurance suitable and fair

In addition, ACOSS supports the recommendations made by [Consumer Action Law Centre to the Royal Commission Bushfire Inquiry](#), including for the Federal Government to expedite claims handling reforms from the Banking Royal Commission, mandate standardized terms and modernise the 'standard cover' regime. Insurers should expedite the removal of unfair contract terms in insurance contracts.¹⁹

Taking action on climate change

31. Rapidly reduce Australia's emissions in line with Paris Agreement

Set a long-term domestic emissions reduction target to achieve zero net emissions before 2050 and a short-term emissions reduction target of at least 45% by 2030.

32. Prioritise the energy sector for faster, early emissions reductions

Our energy system has the greatest capacity to reduce emissions rapidly using current technology, and must be prioritised for fast, early emissions reductions. Energy costs are disproportionately higher for people on low incomes or experiencing disadvantage, who have least capacity to reduce their energy use.

¹⁹ The Federal Government passed legislation in February requiring insurers to remove unfair contract terms (<https://www.legislation.gov.au/Details/C2020A00002>) but it doesn't come into effect until 5 April 2021. Insurers should take unfair terms out now.

These people must be protected from additional hardship because of increased costs during the transition, and supported to reduce their energy bills.

33. Ensure the target-setting process is consistent with the Paris Agreement

Legislate a target setting process, consistent with the Paris Agreement, including:

- A no-backsliding provision;
- Enabling emissions reduction targets to be increased outside set review periods; and
- Giving the relevant federal minister discretion to change the target after consultation with the public.

34. Implement a climate mitigation plan

The government should urgently develop a plan to reduce carbon emissions and implement policies that are credible (delivering on the Paris target), stable, scalable, low-cost, equitable and protect vulnerable groups. These reforms should:

- Preferably take the form of an emission trading scheme (with complementary measures);
- Prioritise the emissions-intensive electricity sector;
- Be informed by a review of the impact on low-income households, affected workers and communities, and energy-intensive trade exposed industries, and include appropriate equity measures to assist those affected;
- Raise funds to support the transition for vulnerable groups including households with low incomes, and investment in clean technology and climate resilience.

35. Ensure a 'just transition'

Some people and communities will experience negative effects from our response to climate change, such as those depending heavily on burning or extracting fossil fuels.

The government should establish a statutory authority responsible for supporting communities adversely affected by the transition to cleaner energy sources, to:

- Coordinate plans to strengthen regional economic diversity;
- Manage coal closure and oversee worker support;
- Oversee an industry-wide multi-employer pooling and redeployment scheme

that provides retrenched workers with the opportunity to transfer to roles with other energy generators or to retrain and transition to other sectors.

36. Phase out fossil fuel subsidies

We advocate removal of fuel tax credits for off-road use (except agriculture). This and other fossil fuel subsidies support emissions production and distort the need for energy efficiency, fuel switching, or investment in other forms of renewable energy or transport. Instead, the funds should support a just transition for workers and communities, assist low-income households' access affordable clean energy, and support climate resilience and adaptation.

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