

# Prioritise low-income housing energy performance retrofits in the upcoming budget.



Dear Assistant Minister McAllister

We are a broad coalition of community, business, environment, and research sector organisations urging the federal government, in collaboration with states and territories, to introduce an ambitious home energy retrofit package, prioritising low-income households.

As energy bills mount, cost of living and the climate change crisis worsens, the case for retrofitting homes with electrification, energy efficiency, gas appliance replacement, and rooftop solar installations, has never been stronger.

Millions of houses in Australia waste energy; are unnecessarily expensive to power; are too hot in summer and too cold in winter; and rely on inefficient, high polluting, unhealthy and increasingly expensive gas for heating, hot water and cooking.

People experiencing financial disadvantage, especially those who rent in social and private housing, are particularly impacted. Too many live in dangerously cold or hot homes making them sick, unable to afford essential energy, and unable to afford or access the benefits of electrification, energy efficiency and rooftop solar.

A recent survey of people on low incomes revealed the extreme measures taken to restrict energy use to lower bills. About 65% are cutting back on heating and cooling; 59% are limiting the use of lights and almost 60% are going without essentials like food and medication to afford bills. This summer, as many as 62% struggled to keep their home cool, with 30% requiring medical care due to heat stress.

We welcome the Government's development of an energy performance strategy as an important initiative. An ambitious home retrofit package, prioritising low-income household, as part of the strategy, would play a critical role in the energy transition supporting lower cost and faster energy transition, permanently reduce energy bills, and improve the health, wellbeing and climate resilience of people.

Direct government investment in deep retrofits for homes occupied by people on low incomes would build economies of scale and market capacity reducing the costs for all housing retrofits, while reducing poverty and inequality for the most vulnerable in our society.

5 May 2023

Copy:

The Hon. Jim Chalmers, Treasurer

The Hon. Chris Bowen, Minister Climate and Energy

The Hon. Julie Collins, Minister for Housing

