



Brotherhood of St Laurence
Working for an Australia free of poverty

MEDIA RELEASE

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Energy saving scheme a winner but yet to extend full benefits to poorer suburbs

As households struggle with rising energy prices, a State Government scheme providing free light-globes and shower heads contributed to power-saving improvements in close to half a million households across Melbourne. A Brotherhood of St Laurence report has found more disadvantaged suburbs benefited most from the Victorian Energy Savings Initiative.

"Households seized the opportunity to save money by improving their energy efficiency, cutting emissions and a result saved money on their energy bills, said John Thwaites, chair of the Brotherhood's equity in response to climate change program.

"Most of the savings, which on average were estimated to be \$60 a year for each household over the first five years, came from upgrading incandescent light-globes to compact fluorescent light-globes."

Under the Victorian Energy Saver Incentive scheme power companies and other businesses offer householders special deals on energy-saving devices, ranging from the free light-globes to discounted solar hot water systems, in a bid to cut greenhouse gas emissions by reducing power use.

Mr Thwaites was releasing the Brotherhood's "The power to save" report, on the fairness of the scheme in different income groups in Melbourne. It analysed the pattern of installation of light-globes, showerheads, and some of the big appliances such as solar hot water systems, during the first phase of the scheme, over three years to 2011. In Melbourne over that time 471,091 households received home improvements.

"The scheme is a great way for households to cut greenhouse gas emissions and energy bills by reducing power use in the home," he said. "And with some changes to the scheme low-income households could benefit more by being able to access the more expensive appliances that save more energy.

"Most of the savings came from upgrading to compact fluorescent light-globes. However, the report also found that households in better off suburbs were more likely to acquire big-ticket items such as solar hot water services or space heaters, which make larger energy savings per household than do light-globes.

"Many low-income households would miss out on these items because even with the discount they still have an upfront cost of hundreds or thousands of dollars. They simply can't afford to stump up that sort of money.

"Yet because on average they spend a bigger chunk of their disposable income on energy bills, they would enjoy more relief in their household budget if they were able to further cut power use.

"The Victorian Government should investigate the viability of on-bill financing – paying for the energy-saving item over extended terms on their power bills - and low-interest loans. Both have the potential to help these households pay for upgrades that will save them money down the track.

"It could also introduce additional financial incentives for low-income households. This could be achieved by expanding existing Sustainability Victoria rebates for energy-saving measures in the home.

"Some similar schemes oblige energy companies to ensure that the benefits are shared more fairly, usually by requiring that a percentage of the savings are achieved in specific types of households. In South Australia the Residential Energy Efficiency Scheme includes a priority group of households with a pension concession or health care card. The Victorian scheme has no such requirements."

Mr Thwaites said the Federal Government was also investigating a national energy savings initiative, and should ensure that low-income households are able to upgrade to items such as solar hot-water systems.

[Download "The power to save" report.](#)

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See below for tables from “The power to save” report showing top 20 postcodes for light-globes and hot-water upgrades, with their ranking on the Index of Relative Socio-economic Advantage and Disadvantage.

Table 1: Light-globes: Top 20 postcodes for Victorian Energy Efficiency Certificates* per 100 dwellings

Postcode	IRSAD quintile**	VEECs per 100 dwellings	Suburbs
3027	N/A	1849	Laverton RAAF, Williams RAAF, Williams Landing
3428	4	635	Bulla
3802	4	619	Endeavour Hills
3059	5	588	Greenvale
3975	4	542	Lynbrook, Lyndhurst
3803	3	512	Hallam
3064	3	506	Craigieburn, Donnybrook, Kalkallo, Mickleham, Roxburgh Park
3075	1	499	Lalor, Lalor Plaza
3061	1	492	Campbellfield
3038	4	489	Keilor Downs, Keilor Lodge, Taylors Lakes, Watergardens
3022	1	481	Ardeer, Deer Park East
3074	1	477	Thomastown
3034	4	470	Avondale Heights
3076	3	467	Epping
3976	2	457	Hampton Park
3048	1	450	Coolaroo, Meadow Heights
3021	1	445	Albanvale, Kealba, Kings Park, St Albans
3082	4	439	Mill Park
3060	1	438	Fawkner, Fawkner East, Fawkner North
3804	5	438	Narre Warren East, Narre Warren North

*The Government's target for greenhouse gas reductions is divided between energy retailers. They and other accredited companies carry out approved energy-saving measures in homes that in total meet that target. These measures are calculated in units called Victorian Energy Efficiency Certificates: a specified number applies for each type of energy-saving measure.

**1 = most disadvantaged, 5 = most advantaged. IRSAD is the Index of Relative Socio-economic Advantage and Disadvantage

Table 2: Hot water upgrades: Top 20 postcodes for Victorian Energy Efficiency Certificates* per 100 dwellings

Postcode	IRSAD quintile	VEECs per 100 dwellings	Suburbs
3097	5	275	Bend of Islands, Kangaroo Ground, Watsons Creek
3099	5	187	Arthurs Creek, Cottles Bridge, Hurstbridge, Nutfield, Strathewen
3091	5	145	Yarrambat
3428	4	132	Bulla
3916	5	123	Merricks, Point Leo, Shoreham
3782	4	120	Avonsleigh, Clematis, Emerald, Macclesfield
3090	5	102	Plenty
3791	5	101	Kallista
3139	4	95	Beenak, Don Valley, Hoddles Creek, Launching Place, Seville, Seville East, Seville East, Wandin East, Wandin North, Woori Yallock, Yellingbo
3783	4	93	Gembrook
3918	4	77	Bittern
3808	5	75	Beaconsfield Upper, Dewhurst
3159	5	67	Menzies Creek, Selby
3096	5	59	Wattle Glen
3113	5	52	North Warrandyte, Warrandyte
3158	4	51	Upwey
3781	3	51	Cockatoo, Mount Burnett, Nangana
3335	1	48	Plumpton, Rockbank
3160	5	48	Belgrave, Belgrave Heights, Belgrave South, Tecoma
3919	2	48	Crib Point

Note: Victorian Energy Efficiency Certificates for all types of hot water upgrades combined