

QUESTION ON NOTICE

No. 360

asked on 8 May 2014

MR HOPPER ASKED THE MINISTER FOR ENERGY AND WATER SUPPLY (MINISTER McARDLE)—

QUESTION:

Will the Minister review the legislation which provides a rebate for reticulated gas supply for pensioners and seniors, to include a rebate for those who do not have access to reticulated gas supply and must purchase bottled gas?

ANSWER:

The Government currently provides energy concessions to one in every four households in the state. Immediate cost-of-living relief has been provided to these and other households in Queensland through a number of Government actions, including:

- the one-year freeze of the major domestic tariff (Tariff 11) at 2011-12 prices;
- the provision of a \$620 million subsidy so regional customers can access the same price for electricity as people in the south-east;
- boosting the electricity rebate for pensioners to \$282 this year;
- doubling the funding for the Home Energy Emergency Assistance Scheme for households suffering from financial difficulties; and
- ensuring assistance is available to support Queenslanders with specific medical requirements through the Medical Cooling and Heating Electricity Concession and Electricity Life Support Concession Scheme.

The gas rebate that is provided to reticulated gas customers is aimed at helping eligible households with the high fixed infrastructure costs associated with delivering gas, such as the costs of operating and maintaining gas pipelines. Households using bottled gas do not experience the same high fixed costs as reticulated gas customers.

However, the Government has sought input from the community through its 30 Year Electricity Strategy process on how it can improve the current concessions framework to ensure there is a sufficient safety net for those who need it most. A hardship and concessions framework is being developed which will take into account important feedback on this issue from the public and industry.

Consideration is being given to vulnerable households who are most in need of protection and support to manage their energy costs to ensure that assistance measures are well-targeted and financially-sustainable for Queensland.

Evaluating consumer assistance is an important element and just one part of the Government's broader sector reform program that will provide more effective support and protections for Queenslanders and put downward pressure on electricity prices.

The Government is progressing a number of actions in a determined and purposeful way to deliver some relief now, as well as in the future, including opening up the market for increased retail competition in the electricity market and customer choice in new products and suppliers.