Queensland Budget Submission 2024-25

November 2023

National Seniors
AUSTRALIA

Introduction

National Seniors Australia, the leading independent consumer group representing older Australians, welcomes the opportunity to put forward a submission to the Queensland Government to inform the 2024 budget process.

People aged 50 and over make up almost 50 per cent of the adult population in Queensland[1]. They make a significant contribution to the state's formal economy through paid employment, as consumers of goods and services and as investors. Queensland seniors also play a critical role in the informal economy, undertaking caring and volunteer activities among many others.

Their concerns are unique and should be heard and embraced.

There is an urgent need to address rising cost of living pressures affecting older Queenslanders.

The increasing cost of basic necessities including groceries, petrol, transport, utilities and housing is a key concern for many older Queenslanders, especially those on low and fixed incomes, who spend a large part of their limited income on these items.

Cost of living not only impacts the ability to afford day-to-day necessities, but it's also essential to maintaining a good standard of living and has impacts on mental and physical health and wellbeing.

It is against this backdrop the following key priorities and recommendations have been formulated by National Seniors Queensland Policy Advisory Group on behalf of its members across Queensland as options for consideration as part of the budget process in 2023-24.

[1] Australian Bureau of Statistics 2019. Australian Demographic Statistics, June 2021. Estimated Resident Population By Single Year Of Age, Queensland

Recommendations

Cost of Living

1. **Support the federal government to introduce a Pensioners Concession Card Plus (PCC+) to enable delivery of additional support to pensioners most in need.**

2. **Provide electricity price relief by either:**

   a) increasing the existing Electricity Rebate in line with changes in average retail prices, or

   b) providing another Cost of Living Rebate in line with increasing retail prices.

3. **Increase the Reticulated Natural Gas Rebate to $100, apply indexation and provide a $50 annual rebate to bottled gas users.**

4. **Increase the South-East Queensland Pensioner Water Subsidy Scheme to $150 and extend eligibility for the scheme.**

5. **Increase the rates subsidy to a maximum of $300 per year and apply indexation in line with average rate increases.**

Housing

6. **Facilitate the construction of housing to service the needs of older people.**

7. **Introduce a one-off stamp duty concession to promote downsizing.**

8. **Work with state and federal counterparts to create nationally consistent and strengthened retirement villages legislation.**

Transport

9. **Introduce free public transport for seniors.**

10. **Increase vehicle registration concessions for concession card holders in Queensland.**

Energy

11. **Improve the existing Solar Bonus Scheme to help reduce energy prices and stabilise energy supply by:**

    a. **removing the cost of the Solar Bonus Scheme from network charges until the scheme expires in 2028, and**

    b. **giving scheme participants the option to install a battery with an appropriate feed-in tariff.**

Cost of Living

1. Support the federal government to introduce a Pensioners Concession Card Plus (PCC+) to enable delivery of additional support to pensioners most in need.

NSA research shows low-income seniors are more likely to be severely impacted by rising living costs and are more likely to be prohibited from accessing health care interventions due to cost.

Older women, in particular, experience higher levels of financial hardship, retiring with less superannuation and being more likely to be renters.

We also know that older people strongly value concessions as a practical way to help relieve cost-of-living pressures.

In response, National Seniors Australia is calling on the Federal Government to issue a new Pensioner Concession Card Plus (*PCC+)* to pensioners with limited means, to make it easier for all levels of government to target *additional* help where it is needed most.

PCC+ holders would receive all the same benefits available from a standard Pensioner Concession Card but could also receive additional benefits, e.g., higher concession rates, assistance to access dental, cheaper medicines or health care rebates.

Because a person's income and assets are already used to determine the amount of pension they receive, this same information could be used by Centrelink to determine eligibility for a PCC+.

With pension poverty estimated to be 23.7 per cent in Australia (OECD 2018), government could give more assistance at low cost, helping to reduce pension poverty.

With a majority of concessions administered by state (and territory) governments, we are calling on the Queensland Government to lobby the federal government to introduce a PCC+ and to adjust the Queensland concessions' frameworks to accommodate this new card.

2. Provide electricity price relief by either:
a) increasing the existing Electricity Rebate in line with changes in average retail prices, or
b) providing another Cost of Living Rebate in line with increasing retail prices.

Queensland households welcomed the Cost of Living Rebate of $700 (for vulnerable households, including Seniors) and $550 for all other Queensland households to meet the rising cost of electricity in 2023.

However, with electricity prices likely to remain high in 2024, there is a need to consider additional relief. This could be provided in one of two ways:

a) Ideally, government should reform the existing Queensland Electricity Rebate so that it can adequately reflect changes in retail prices. The current electricity rebate of $372.20 for Queensland Seniors Card and Queensland Pensioner Concession Card holders is not indexed as it is in other states and territories and has therefore not kept pace with the rising cost of electricity. It should be increased substantially to reflect changes in retail prices and be automatically indexed on an annual basis in line with changes in the cost of electricity.

By applying annual indexation, government will have a fiscal incentive to keep electricity prices low as this will keep the overall cost of the rebate low.

b) Alternatively, the Queensland Government should offer another one-off Cost of Living Rebate in line with increased electricity prices, on top of the existing Queensland Electricity Rebate.

3. Increase the Reticulated Natural Gas Rebate to $100, apply indexation and provide a $50 annual rebate to bottled gas users.

As with electricity, the cost of gas for heating, cooking and other essential activities has increased rapidly over the past decade as has the cost of supply. Wholesale gas prices have more than tripled in just over ten years[2] (see Figure 1), with wholesale prices spiking to $29 per gigajoule in 2022 (compared to $4 per gigajoule in 2012).

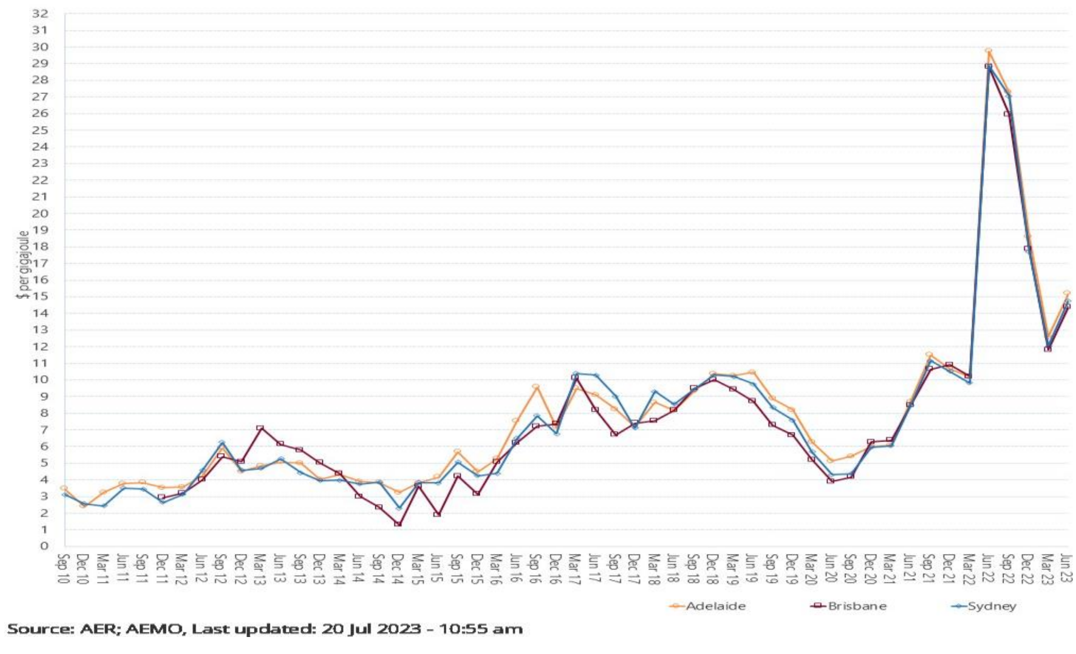

Figure 1: Wholesale gas prices ($/gigajoule) 2010 – 2023
Source: [AER 2023]

[2] Australian Energy Regulator 2023. 'STTM - Quarterly Prices' Accessed online 25 October 2023 https://www.aer.gov.au/wholesale-markets/wholesale-statistics/sttm-quarterly-prices

The gas rebate available to Queensland Seniors Card and Queensland Pensioner Concession Card holders has not increased despite this. National Seniors recommends the rebate increase from $80.65/year to $100/year (GST inclusive) indexed annually in line with average wholesale cost of gas.

Currently, bottled gas users are not eligible for a rebate. Older people relying on bottled gas are not receiving any bill relief because they do not live in a location with reticulated gas – most of whom live in outer suburban, regional and rural areas. A $50 per year rebate should be offered to bottled gas users to rectify this inequity.

The rebate should be set lower than the Reticulated Natural Gas Rebate to account for differences in supply costs between reticulated and bottled gas (reticulated gas attracts daily supply charges of approx. $400 per year) and the lower price of LPG.

This will ensure all gas users receive a fair concession. By applying indexation, this will also encourage government to place downward pressure on gas prices to minimise future increases in the rebate.

4. Increase the South-East Queensland Pensioner Water Subsidy Scheme to $150 and extend eligibility for the scheme

Queensland Pensioner Concession Card holders who own properties connected to the SEQ Water Grid currently receive a water subsidy of up to $120 each year. The last time the water subsidy was increased was in 2011-12 when the subsidy was increased from $100 to $120. While the subsidy has not increased in ten years, the cost of water has increased and will continue to increase under bulk water pricing options recommended by the Queensland Competition Authority[3].

Compared to other states and territories, the water subsidy in Queensland is low. Victoria offers a water concession for households connected to mains water of 50% up to a maximum $177.05[4].

South Australia subsidises water to a total of 30% of a water bill up to a maximum of $359.70/year[5].

In Western Australia there is a rebate of 50% on water service charges to a cap of $600/year for Pensioner Concession Card and Commonwealth Seniors Health Card holders and 25% up to a cap of $100 for senior's card holders[6]. Pensioner Concession Card holders can also receive a 50%

---

[3] Queensland Competition Authority 2022. *Seqwater Bulk Water Price Review 2022–26: Final Report.* March 2022. https://www.qca.org.au/wp-content/uploads/2022/04/seqwater-review-qca-final-report.pdf

[4] Victorian Department of Health and Human Services 2023. 'Non-mains water concession' Accessed online 21 October 2023 https://services.dhhs.vic.gov.au/water-and-sewerage-concession

[5] ConcessionsSA 2023. 'Water and sewerage rate concession' Accessed online 21 October 2023 https://www.sa.gov.au/topics/care-and-support/financial-support/concessions/water-and-sewerage-rate-concession

[6] ConcessionsWA 2023. 'Water Corporation Service Charges – rebate or deferment' Accessed online 21 October 2023 https://concessions.communities.wa.gov.au/concessions/Pages/Water-Corporation-Service-Charges-%E2%80%93-rebate-or-deferment.aspx

concession on the first 350 Kilolitres of water per year. Those in the north country receive a 50% concession on 600kL per year and those in south country on 400kL[7].

National Seniors recommends the water subsidy be increased to $150/year for Pensioner Concession Card holders and the subsidy be offered at 50% of this for Commonwealth Seniors Health Card holders throughout Queensland. Even at $150/year the concession would be lower than most states.

The water subsidy should also be indexed annually against increases in the price of water and the cost of supply.

5. Increase the rates subsidy to a maximum of $300 per year and apply indexation in line with average rate increases

Over recent years there has been inexorable growth in council rates across Queensland, with limited improvement in the capacity of pensioners to meet these increased costs.

An audit of the recurrent expenditure of local councils, conducted by the Queensland Audit Office in 2017-18, found that Queensland councils have significantly more autonomy than councils in other states; that they generally need to provide clearer rates strategies to their communities; and that "the rate increase decisions we audited were generally made behind closed doors with limited community input"[8].

In our view this lack of transparency leads to a lack of trust in local government with regards to the setting of rates and other practices.

National Seniors Australia recommends the Queensland Government rates subsidy be increased at a minimum of 50% to $300 each year and be offered at 50% of this for Queensland Seniors Card holders and Commonwealth Seniors Health Card holders.

This is still at the lower end of the rates rebates available to pension concession card holders in other state and territories. For example, in the ACT and WA pensioners receive a rate rebate of 50% capped at $750, in Tasmania pensioners receive a 30% reduction on local government charges capped at $345, in Victoria pension concession card holders are eligible for a 50% reduction on council rates capped at $253.20 and in NSW the rebate is $250 on council rates.[9]

It should also be indexed annually against the average percentage increase in general rate rises levied by councils across Queensland.

---

[7] ConcessionsWA 2023. 'Water consumption rebate - Water Corporation' Accessed online 21 October 2023 https://concessions.communities.wa.gov.au/concessions/Pages/Water-consumption-rebate-Water-Corporation.aspx

[8] Queensland Audit Office 2018. *Managing local government rates and charges.* Report 17: 2017-18 https://www.qao.qld.gov.au/reports-resources/managing-local-government-rates-charges

[9] National Seniors Australia 2023 Concessions Calculator. Accessed online 20 October 2023.

Housing

The housing crisis is dire with a lack of social and affordable housing impacting the wellbeing of an ever-increasing number of older Queenslanders reliant on rental properties.

National Seniors welcomes the state government's additional $1 billion investment towards the building of 5,000 new social and affordable homes by 2027, and the pilot of 52 prefabricated builds to be delivered across the state this year. However, these two strategies alone are not enough to fix the housing crisis facing older people unless there are more homes built suitable for seniors specifically.

There is also a lack of suitable low-cost housing for older people to purchase either to downsize into or to escape the rental market. Home ownership is still the most favorable tenure type among older people[10], with evidence showing that home ownership confers positive impacts on the health and wellbeing of older people.

In terms of downsizing, National Seniors research shows many older homeowners are interested in moving as they get older. According to our surveys, one-third of older people have moved and another third are considering a move in later life.

According to this research, the main reasons for moving are: to meet ageing needs, to move to a smaller property and to improve lifestyle (see Figure 2).

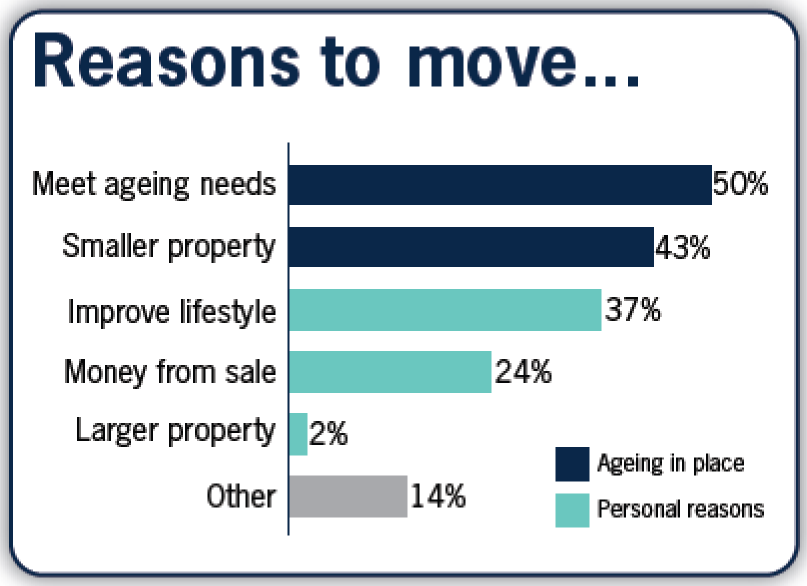

Figure 2: Reasons older people move Source: NSA 2023

[10] Hosking, D., Minney, A. and McCallum J. The evolution of retirement income: A 2022 snapshot. Canberra: National Seniors Australia and Challenger, August 2022.

However, as our research also shows, there are many barriers to moving in later life, which restrict people's ability and willingness to move (see Figure 3).

The main barrier older people find is the hassle of buying, selling and moving. The second biggest barrier is the cost of stamp duty. A third barrier is people don't want to leave the area they live in. A fourth barrier is the lack of appropriate homes.

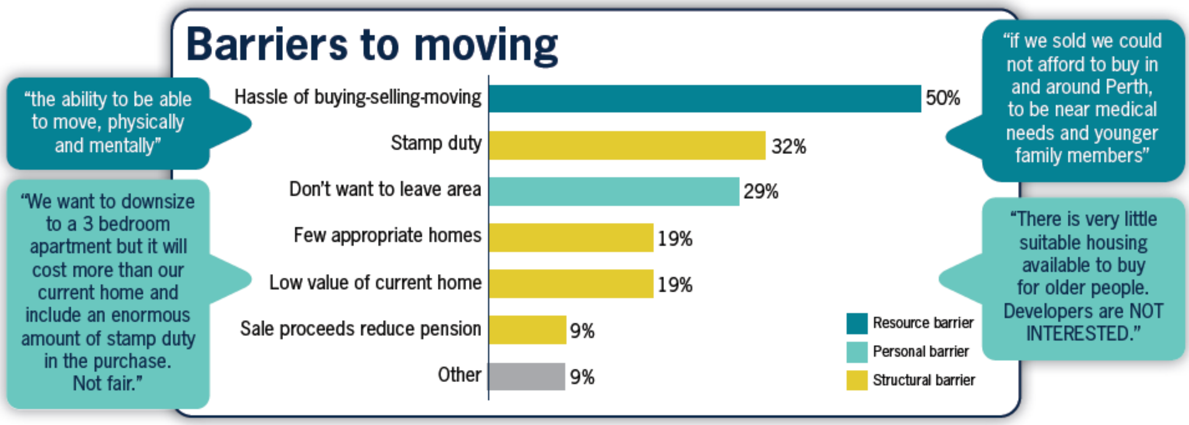

Figure 3: Main barriers to moving among people aged 50+, Source: NSA 2023.

Ultimately, if the state government want to address the housing crisis facing older people it must improve the supply of housing suitable to older people – both in terms of renting and home ownership – otherwise older people will be forced to remain in either larger homes ill-suited to their needs, or in ill-suited rental properties without accessible design features to support ageing in place.

This irrational approach to housing, will place older people at higher risk of falls or early entry in residential aged care in later life.

6. Facilitate the construction of housing to service the needs of older people through planning law innovations and shared equity arrangements.

An important role for state government is ensuring planning laws enable the market delivers new and innovative housing options suited to the needs and wants of older people.

Developers appear to be focused on high end or high-rise housing. This type of housing may not be suitable for older people, particularly those with limited wealth or income.

There is a need to build more medium density housing in areas where older people already live to provide feasible downsizing and rental options for older people. A recent National Seniors submission to the ACT Government's Housing Choices Consultation acknowledged that suburban infill is necessary as a seniors friendly alternative to high density development but must be well designed to protect the character of existing neighbourhoods.[11]

[11] National Seniors Australia 2018. Submission to the ACT Housing Choices Consultation. March 2018.

Other states and territories, such as NSW, have introduced specific planning codes to fast track the approval of smaller scale infill developments which can offer a more attractive alternative to high rise living but with higher density than traditional detached housing.

The Queensland Government needs to work with local councils and communities to identify areas where appropriately scaled infill development could be built offering a mixture of owner occupier, rental and social housing suitable for older people.

Government should also consider the idea of giving older single renters (particularly women) the opportunity to co-invest in the construction of new housing using shared equity arrangements. There is likely a significant number of people who cannot afford to buy but could contribute a portion of capital towards the construction of new dwellings if a scheme was developed. Older renters with some savings but not enough to purchase a dwelling (e.g., <200k in superannuation) should be allowed to contribute a portion of the capital needed to construct new homes, helping to bridge the funding gap.

This could support those with limited savings to purchase a home while stimulating age-friendly housing options – shifting older people out of the rental market into a more stable tenure option.

7. Introduce a one-off stamp duty concession to promote downsizing

Older Queenslanders who wish to downsize to a more suitable and age-friendly dwelling are reluctant to do so because of high costs and government charges. National Seniors research has revealed that the impact on the Age Pension of cost of stamp duty and surplus funds from the sale are key financial disincentives to downsizing.[12]

The Australian Capital Territory (ACT), Victoria and Tasmania offer seniors a stamp duty concession to encourage downsizing, but Queensland does not.

National Seniors calls on the Queensland Government to join other states and territories in implementing a stamp duty concession scheme for seniors.

We recommend the government adopt a similar scheme to the one offered in the ACT and Victoria where the value of the concession declines on a sliding scale relative to the value of the new home.[13]

8. Work with state and federal counterparts to create nationally consistent and strengthened retirement villages legislation.

Retirement villages should offer older people an age-friendly housing option. Despite its promise, there remains significant concerns about hidden fees and exit charges and the complex nature of village contracts.

[12] Rees, K. & McCallum, J. (2017). *Downsizing: Movers, planners, stayers*. Brisbane: National Seniors.
[13] ACT Government 2023. ‘Pensioner duty concession scheme. Accessed online 25 October 2023 https://www.revenue.act.gov.au/home-buyer-assistance/pensioner-duty-concession?result_1060955_result_page=1

What is most concerning is that the existence of retirement village laws gives consumers a false sense of protection, when they should in fact be taking a buyer beware approach when considering a move to a village. Retirement villages are very different from traditional freehold and strata housing, which can be confusing. A prospective resident should ideally obtain, what is often costly legal and financial advice before signing a contract to ensure it is in their interests.

With state and territory governments' responsible for retirement village legislation, this has led to a patchwork of inconsistent rules and protections, adding costs to consumers, government and industry.

We are therefore calling for nationally consistent and strengthened retirement village legislation with the following key elements:

- An independent retirement village ombudsman to educate consumers, monitor the sector, and handle complaints.
- Fees and charges must be clearly and consistently outlined in plain English terms in all contracts.
- Maintenance and service fees must be reasonable and clearly outlined in plain English in the contract, with examples.
- Providers should <u>not</u> be allowed to charge deferred management fees. These should be illegal for any new retirement village contract.
- Where a resident vacates their premises, the operator must refund an entry fee within a maximum of six months (as is already the case in Tasmania). If the former resident moves into residential aged care, the sale period will be three months, and the operator should be required to meet the daily accommodation payment which is deducted from the exit entitlement (as is the case in Western Australia).
- Refurbishment fees should be applied only after a resident has resided in a property for more than 10 years and capped as a proportion of the entry fee.
- The value of any exit fee should be clearly stated up front in the contract as either a dollar value or as a proportion of the sale value.
- Advertising should spell out, in plain English, what is for sale. Are you buying property? Are you purchasing a right to reside? Are they entering a leasehold arrangement? It must be made clear exactly what the contract involves.
- It should be made clear if a resident will not be eligible for the Home Equity Access Scheme as a village resident (unless the rules governing this scheme change).
- A retirement village should not be on-sold (to a new corporate entity, company or individual) without the village provider giving residents written notice of an intention to do so.

Ideally, these reforms should be introduced in Queensland as soon as possible, to provide a template for negotiations to introduce nationally consistent laws.

Transport

9. Introduce free public transport for seniors

Mobility is a key concern of older Queenslanders, especially those who no longer hold a driver's license.

Good public transport systems allow older people to remain healthy and active as they age and access services and programs. The accessibility and affordability of public transport is essential to reducing social isolation and maintaining health and wellbeing[14].

All states and territories provide public transport concessions to seniors; however, some jurisdictions have moved to offer free travel either permanently, as a trial, or as a temporary measure to address rising petrol prices.

- Seniors in Brisbane receive free travel on Brisbane City Council buses, CityCats and ferries during off-peak periods (8.30am-3.30pm and 7pm-6am the next day).
- The South Australian Government began offering free public transport for all seniors from 1 July 2022.
- The ACT Government is trialling free public transport for people aged 70 and over during off-peak times.
- Tasmania implemented a period of free bus travel for all commuters between 28 March and 31 April to alleviate the cost of high fuel prices.

In terms of impact, it has been reported there has been a 40 percent increase in public transport patronage among seniors in South Australia since the policy has been implemented.[15] Importantly, the cost of implementing the policy in South Australia was budgeted at only $1.26m per year.

In Tasmania, it has been reported that the five-week trial of free bus travel between 28 March to 31 April 2022 was hugely popular and successful in increasing patronage. This initiative eased cost-of-living pressures and bus patronage increased by 15% (in urban services alone), helping to reduce congestion and emissions.[16] Internationally, there is evidence that free public transport results in increased patronage on public transport services (see Figure 4).

In calling for free public transport fares for seniors, it is important to note the primary goals of the policy are to reduce cost of living pressures and improve the mobility of older people. This is especially important for people with mobility impairments, who might otherwise find it difficult to access essential services. Encouraging more seniors to use public transport is good policy on these grounds because it will be easier for older people to get where they need to go. If the policy helps to

[14] Currie, G., Stanley, J. and Stanley, J. 2007. *No Way To Go: Transport and Social Disadvantage in Australian Communities.* Melbourne: Monash University.

[15] Australian Bus and Coach 2022. "South Australian Seniors Enjoy Free Bus Transport" 1 Sept 2022 https://www.busnews.com.au/industry-news/2209/south-australian-seniors-enjoy-free-bus-transport

[16] Tasmanian Transport Free public bus travel has ended – Transport Services

ease congestion and reduce transport emissions at the same time, then this will be an added benefit of the scheme.

National Seniors calls on the Queensland Government to follow the example of ACT and South Australia and offer free public transport for seniors at all times across Queensland as part of the next budget.

Place implementing full free public transport	Impacts	Source
Tallinn, Estonia	Public transport use increased by 14% one year after fare change. There was a 5 percentage point decrease in car use. Average distance travelled by cars increased.	Cats et al (2017, p. 1101) and Grzelec and Jagiello (2020, pp. 5–6)
Hasselt, Belgium	Public transport use increased 10-fold (from a very low base). Most new users had previously travelled by foot or bike or public transport. 16% of new users were from car users (which was probably affected by complementary improvements in services). Free fares were removed in 2013 due to budget pressures. Car ownership was unaffected.	Cats et al (2017, p. 1089); (van Goeverden et al. 2006, pp. 10–11);Grzelec and Jagiello (2020, p. 6); and Fearnley (2013, p. 80)
Dunkirk, France	Bus trips increased by 85% in 2 years (65% during the week and 120% on weekends). Half of new users had moved from cars to bus, and the modal shift from car to bus was 24% (a large effect), but no data on peak hour congestion effects. Impacts were probably increased due to complementary improvements in services.	Figg (2021)
Taichung, Taiwan	The comprehensive shift to free fares from July 2011 led to a about a 20-fold increase in ridership on the 8 km free bus, but service provision was also enhanced so the effects will be conflated. The modal share of cars for transport fell by 0.6 percentage points — though the causal link was not established.	Yeh and Lee (2019, pp. 10, 12)
Templin, Germany	Public transport use increased by more than 10-fold in 3 years. 80% to 90% of new use was from non-car use, mainly walking/cycling. Of the induced demand, 10-20% was from car users. (This is not a 10-20% reduction in total car use.). Templin is also a small town of 14 000 at the time of the scheme's inception — so the results may not generalise well	Cats et al (2017, p. 1090); Storchmann (2003)
Stavanger, Norway	Large increase in public transport use, but substitution was mainly from foot/bike not from cars. 11% took buses only for fun. There was no evidence of reduced car usage (and therefore congestion reductions).	Cats et al. (2017, p. 1087); Fearnley (2013)
Leiden, Netherlands	Bus use on the free routes increased threefold. Of additional users, 45% were from car users. No measurable impact on congestion.	(van Goeverden et al. 2006, pp. 8–9)
Frýdek-Místek (Czechia)	Public transport increased by 81% from 2010 to 2017, but some of this growth would have occurred anyway. 8% of car drivers (in a survey) said they shifted to at least partly to public transport use. But the study found no decrease in traffic flows or congestion. Only some residents were eligible for the free transport passes	Straub (2020, pp. 7–8)

Figure 4: Impacts of Free Fares on Public Transport and Car Use (Source: Productivity Commission)[17]

10. Increase vehicle registration concessions for concession card holders in Queensland

Motorists are struggling under record fuel prices (see Figure 5), especially pensioners on low fixed incomes.

The current registration concession for pensioners is 50% off the registration fee with no concession for Traffic Improvement and CTP fees.

[17] Productivity Commission 2021. Public Transport Pricing: Research Paper[17]

Other jurisdictions have more generous registration concessions.

- In the ACT and NSW, pensioner concession card holders receive a 100% discount on vehicle registration.
- In South Australia pensioners receive a 50% discount on registration fees as well as an exemption from the payment of stamp duty on compulsory third party insurance.

National Seniors recommends the Queensland Government consider increasing the vehicle registration concession for pensioners to help with rising livings costs, such as those associated with high petrol prices.

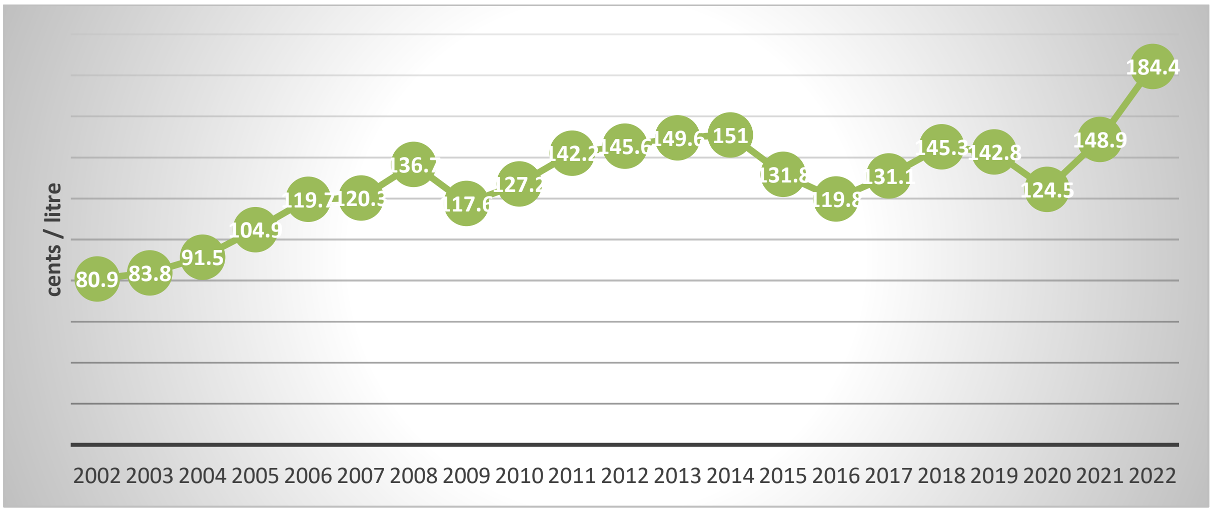

Figure 5: Average ULP Pump Prices in Queensland, 2002-2022 Source: Fleet Auto News

Energy

11. Improve the existing Solar Bonus Scheme to help reduce energy prices and stabilise energy supply by:

a. removing the cost of the Solar Bonus Scheme from network charges until the scheme expires in 2028, and

In June 2016, the Queensland Productivity Commission (QPC) handed down a report into Solar Feed-In pricing in Queensland[18]. A key determination was that:

> *A price for solar exports will be fair when solar PV owners are receiving an efficient price for the energy they generate — and remaining electricity consumers are not paying more (or less) than they should for solar PV generated energy.*

The QPC report also noted that:

> *Solar export pricing arrangements that are paid for (either directly or indirectly) by electricity consumers can have adverse impacts, particularly on the least-well off consumers in Queensland.*

This led the Queensland Government to remove the costs of the Solar Bonus Scheme from network charges until at least 2020.

National Seniors recommends this practice continue for forthcoming and ongoing budgets until the 44c/kwh feed-in tariff expires on 1 July 2028 to reduce electricity prices.

b. giving Solar Bonus Scheme participants the option to install a battery with an appropriate feed-in tariff.

To address issues of network efficiency and to boost the fledgling battery sector, government should also look at reforming elements of the Solar Bonus Scheme.

Currently, scheme participants cannot modify their set up and install a battery. If they do so they will lose the 44c feed-in tariff. Many of the scheme participants are older people with the financial capacity to install batteries but will not do this if they lose the 44c feed-in tariff.

According to the QHES 2023, 16% of people with rooftop solar also have a battery. However, the rate of battery installation among people aged 55+ is only 5% (see Figure 6).[19] While intention to install a battery is relatively strong among this age group (see Figure 6), it is highly likely the low rate of take up of batteries among people aged 55+ is due in part, to older people being overrepresented in the Solar Bonus Scheme.

---

[18] Queensland Productivity Commission (QPC) 2016. *Solar Feed In Pricing in Queensland: Final report.* Brisbane: QPC https://cabinet.qld.gov.au/documents/2016/Dec/SolRo/Attachments/Report.pdf

[19] Energy Queensland 2023. Queensland Household Energy Survey 2023 Accessed online 20 October 2023

Government should consider offering Solar Bonus Scheme participants the choice to "opt in" to a modified scheme that allows them to install a battery but with a change to the feed-in tariff. Ideally, they could be offered a suitably generous feed-in tariff at peak load times (where demand for energy and the price of energy is high) but not during periods of low demand and low price (e.g., during the daytime). This change will make the scheme more efficient because it will reward people for providing energy when its needed most and not when demand and price is low.

Encouraging battery installation among Solar Bonus Scheme participants will make these households more self-sufficient; stimulate the battery sector in Queensland; increase overall storage capacity within the network, and help regulate supply, demand and price within the energy network.

Changing the rules to allow scheme participants to opt in to install a battery on the condition of a more rational feed-in tariff would be particularly attractive for part-pensioners because investment in the principle place of residence is exempt from the Age Pension means test. This means that installing a battery can lead to a higher pension payment for part pensioners with sufficient savings.

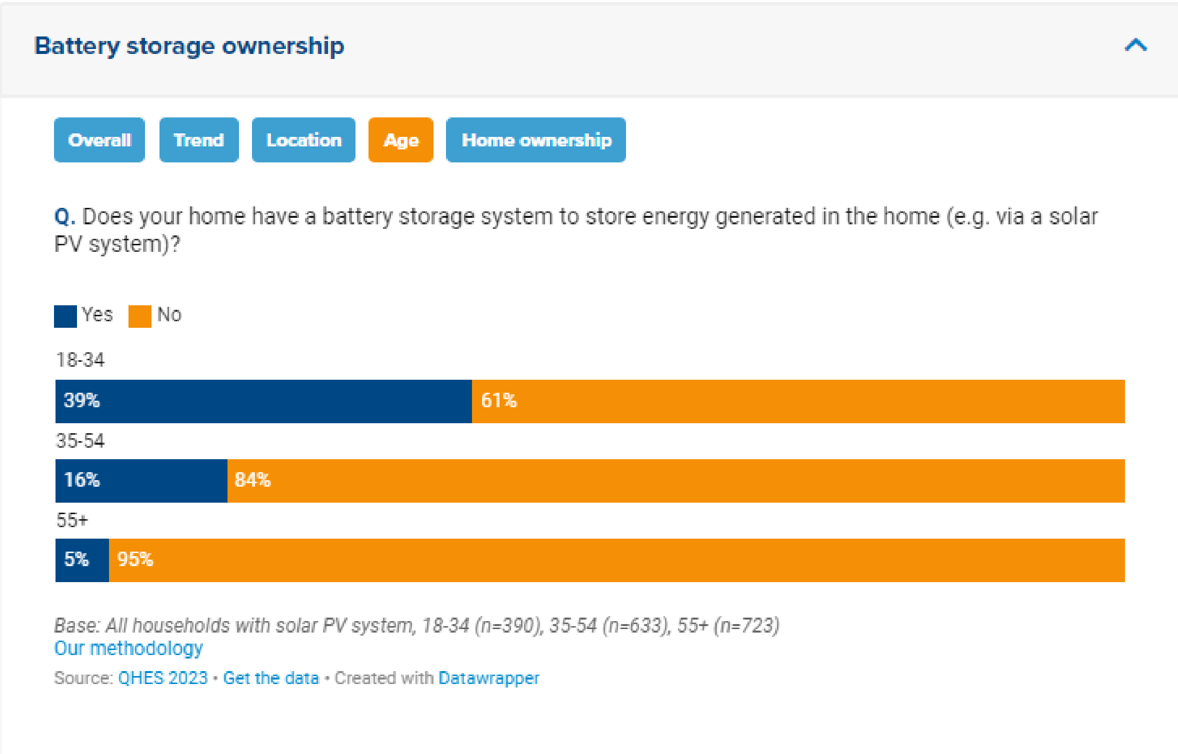

Figure 6: Battery storage ownership by Age Source: QHES 2023

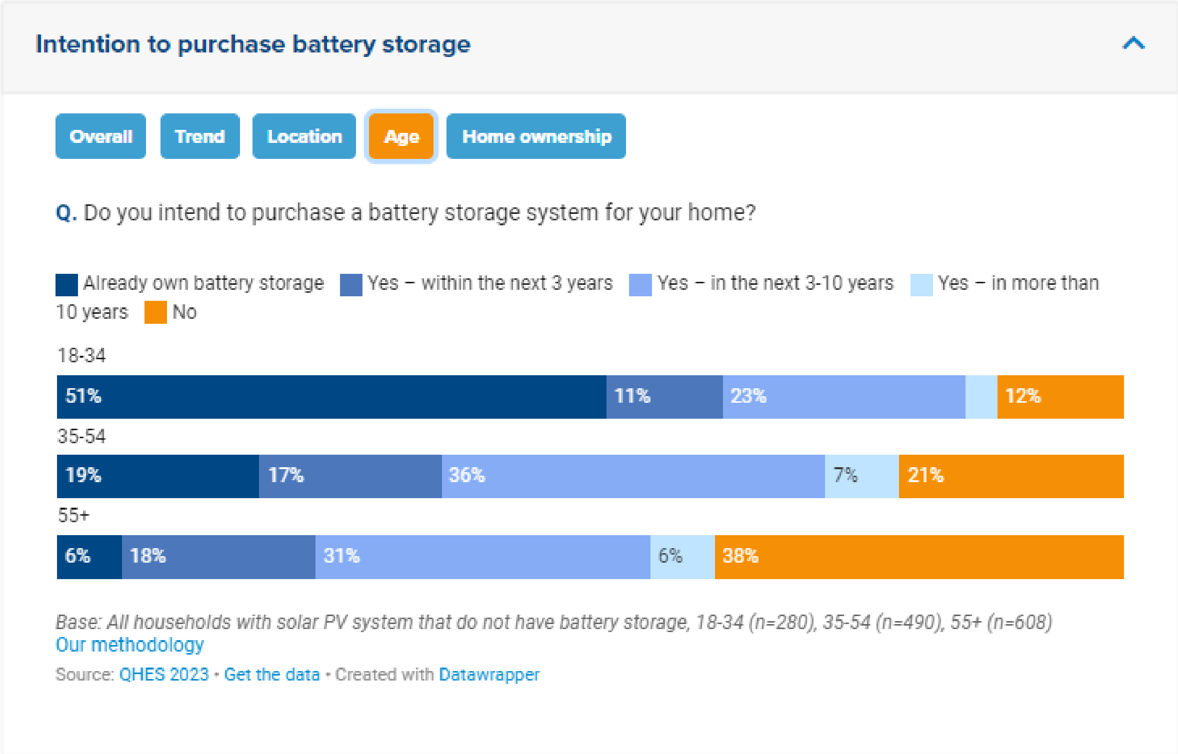

Figure 7: Intention to purchase battery storage by age, Source QHES 2023

National Seniors Australia
ABN 89 050 523 003

Suite 19A, 160 Ann Street
Brisbane QLD 4000

GPO Box 1450
Brisbane QLD 4001

policy@nationalseniors.com.au

facebook.com/nationalseniors

twitter.com/nationalseniors

youtube.com/user/NationalSeniorsAus

linkedin.com/company/national-seniors-australia/

1300 76 50 50

nationalseniors.com.au

National Seniors AUSTRALIA