Peter Campbell PO Box 36 Como WA 6952

23 July 2008

Committee Secretary Senate Standing Committee on Environment, Communications and the Arts Department of the Senate PO Box 6100 Parliament House Canberra ACT 2600

By email to: <u>eca.sen@aph.gov.au</u>

Dear Sir/Madam

Inquiry into Save Our Solar (Solar Rebate Protection) Bill 2008 [No. 2]

Please accept this submission into your enquiry, and please also accept my sincere apologies for its lateness. I hope that you will still be able to take my comments into account.

I do not feel qualified to specifically comment on all of points 1a - 1j of your terms of reference, however I will make general comment and in so doing draw in aspects of mainly points 1a and 1b of these terms of reference.

My principal comment is that decision to mean test the solar panel rebate has an enormous illogic to it. Looking at the economics of the situation, no family earning less than \$100K is going to start to consider putting a solar array on their roof, with or without an \$8K rebate. They would still need to come up with another \$5-10K out of their own pockets – it simply isn't going to happen, other than in a miniscule, insignificant number of cases.

At the time of the announcement the government spokesman was reported as saying that the "program targets those who can least afford to install solar power without some assistance. We believe there will be continued demand for the rebates with the new means test". I cannot see how this can actually be true for the reason mentioned above.

Perhaps even more importantly, the government needs to be showing true and visible leadership on this matter. From the perspective on an ordinary citizen, they seem to be sending very mixed messages. Kyoto was speedily ratified shortly after the election, the Prime Minister made very public climate change representations in Bali December last year on behalf of Australia, and now they are progressing the very controversial emissions trading scheme. All of these I support. But I now cannot help but wonder about the real depth of these actions - the degree to which at least some are/were simply populist positionings - as the movement to means test solar rebates really does seem to me to be at odds with a true commitment to the betterment of the environment.

Letter 23 July 2008 to Senate Standing Committee on Environment, Communications and the Arts

I read the press extensively shortly after the solar rebate decision was made. Whilst this matter is now receiving less coverage, in one fell swoop this decision probably decimated this fledgling industry. Surely solar and other alternative forms of power are a way of the future. Surely if more people buy these it lessens the drag on conventional power (in addition to that which is supplied to public building such as schools – public buildings need to be paid from the public purse regardless of what their power source is). Surely if there is a marked increase in private sales (albeit assisted by government support) then this will flow back into improved technology and lower prices for all. I cannot start to understand how such a short term decision can be made.

I am not philosophically opposed to the notion of means testing. However I truly believe that the government has got the cut-off level simply wrong, for the reasons previously outlined. I have been very interested to see that many of the commentators in the press have offered much the same opinion – my opinion was formed of my own accord, before I read the press more widely. By setting the level where it has been set, arbitrarily and seemingly without consultation, the government has not only eliminated the expense, as apparently was the government's aim, but they are very likely to significantly reduce all activity in this sector altogether.

I would be happy to expand upon any of my comments if you think that it would be useful to your enquiry.

Yours sincerely,

Pohn Carplen.

Peter Campbell