



blackmore's
power and water



SUBJECT: SENATE ENVIRONMENT, COMMUNICATIONS AND THE ARTS COMMITTEE

INQUIRY INTO THE SAVE OUR SOLAR (SOLAR REBATE PROTECTION) BILL 2008-08-05

Thankyou for the opportunity to hear about my fears for my Business and the fears for our Solar Industry in general.

Blackmores Power And Water is a small business operating in the rural northern town of Laura, supplying and installing power and water equipment to outback South Australia.

Prior to the Howard Government announcing the introduction of the \$8000 rebate, we had only installed 6 solar grid systems in the past 7 years. Our core business being, solar pump systems, and Stand Alone Remote Area power systems. During the rebate period available for RAPS, between 2000 and 2004, we installed some 50 systems worth approx \$4 million. Without the rebate, we then experienced a slump for 3 years, installing 4 systems valuing around \$300,000.

Since the \$8,000 rebate has been introduced for solar grid systems, we have installed, or are about to install approx. \$1.8million in business, and the re-introduction of a rebate for RAPS systems, has resulted in a further \$500,000 worth of sales to date.

Not one of these systems would have been installed without the incentive of the rebates.

While our enquiry rate has approximately halved since the announcement of the means test, the actual applications we have submitted have increased, as those that were still eligible, have rushed their decision, in fear of the rebate ceasing all together, or the programme simply running out of funds.

We have not received any orders to install a Solar Grid System without the benefit of a Government rebate.

The Minister for Environment, Mr Peter Garrett announced on the weekend some very impressive figures regarding Applications for rebates being greater now, than prior to his Government introducing the "Means Test" . The publicity the "Means Test" created has brought forward a group of people applying, that didn't even know a rebate existed, and created panic signing of applications in fear of the rebate ceasing AGAIN.

What he didn't report, was the fact that these applications are now taking about 8 weeks to be approved from when they are received, instead of 3 to 4 weeks, as was the case, prior to the "Means Test". So he can "CROW" all he likes, but what this Industry currently needs is applications approved.

Has Mr Garrett deliberately slowed the approval rate down in fear of running out of funds?

This Industry needs stability. Our current fear is that the funding will run out before the rebate programme has reached it's term, which has already been brought forward to 2009/10 financial year.

We need a commitment from the Government that more funding will become available instead of creating a backlog of applications due to slowing down the approvals of these Rebate Applications.

Our industry , and the survival of My Business, need to avoid these large peaks and troughs in demand, purely driven by the availability of a rebate. We need a planned transitional period leading up to the cut-off date of the rebates, instead of cutting Small Business at the knees, at the whim of a government decision without consultation with the industry.

Chris Blackmore

From: John Parnell
Sent: Tuesday, 5 August 2008 12:42 PM
To: Chris Blackmore
Subject: Solar power system

Hi Chris;

After serious consideration we have decided not to continue with the purchase with the power system we have been discussing.

Clearly, due to the drought, increased costs in fuel (deductible), stores for the station and the million and one other things that we have to pay for that are not deductible but we must have to live in this country, we just cannot afford to buy the system.

This is even though our net income is over \$100,000. By the time we pay for everything that is not deductible, there is bugger all left.

As you know, if the subsidy was still available we would have proceeded, as this is in line with our philosophy of reducing our carbon foot print and the many other things we are trying to do to assist in reducing Co2 into the air. But you can only spend so much.

Thanks for your quotation and help. I wished we had been a bit quicker.

Cheers
John

Chris Blackmore

From: michael Swaffer
Sent: Friday, 23 May 2008 11:49 AM
To: blackmorespw@bigpond.com
Subject: Solar system

Andy Broadbent

with the axing of the govt rebate, and the new rules being introduced we are no longer able to get the rebate because of the family tax bracket, so therefore we will have to put our plans for a solar system on hold for now. We can hope that there will be a strong enough objection to the govt by your industry through loss of work, that they will reverse their decision.

If there are any changes please inform me because I still want to put the unit in.

Thanks for your assistance with this project and I apologise that I can't go ahead with it at present.

Regards
Mike Swaffer