

The Secretary  
Senate Standing Committee on Environment, Communications and the Arts

### **Submission to the Inquiry into Save Our Solar**

I write as a retired person on a moderate income. We believe it is vital to take both personal and national/international action to mitigate global warming and are working to increase our household energy efficiency: so far we have cut our car use, are selling the larger of our two vehicles, are partway through putting in various forms of household insulation, use energy efficient globes and switch off appliances that have a standby mode; we're buying tanks to catch water for our expanding vegetable garden and have installed a solar hot water system. I know other families in our community who have recently switched to solar hot water and am aware that the existence of rebates was an incentive for them to undertake this major expense, as it was for us.

As a further step we intended to instal solar panels to generate electricity for our home. This is now looking a very distant prospect. We were waiting for the solar power industry to take off, with the usual decline in costs and enhancement of expertise that increased uptake of a new technology provides, and for panels with a smaller amount of embedded energy to come onto the market. We needed to make use of the commonwealth subsidy, as we expected it would cost over \$20,000 (around a third of our gross annual income) to set up a system to meet our power needs.

Our son-in-law works as an electrician. His boss has just built himself an energy-efficient home, installing solar power panels on the roof, and was gearing up to move his business into solar, particularly solar grid-connection. He had already purchased additional warehouse space to showcase the options available. Those plans have now evaporated, along with the extra jobs that they would have generated, and the money spent on the extra space he no longer needs, as he believes the business will not be profitable when the cut-off point for the subsidy is an income of \$100,000 – that the expanding uptake of the new technology needed to establish a viable industry won't happen because the very people with some spare income to put towards the changeover will be deterred by the loss of the subsidy.

\$50,000 is not a large wage/salary these days. Teachers, nurses and public servants generally have pay scales that climb beyond that mark, as do many workers in the private sector. Working couples with children, tied to today's heavy mortgages, can earn salaries in this range and exceed the \$100,000 income limit but still have to watch their pennies. We are a mortgage-free retired couple on a little over half that amount and we have to be careful with money, so we find it easy to understand their situation. Why is it difficult for policy makers to understand?

That coal-fired power generation (as well as the process of coal mining) is a major source of greenhouse gases is undeniable, and the industry itself says clean coal will take 15 years or so to become available – if it ever does. Yet the best estimates are that we have perhaps 7 years to effect a real reduction in our (still-rising) CO2 emissions. Meanwhile, though Australia is ideally placed to develop environmentally clean solar power generation on both small and large scales, using both already available and rapidly emerging technology, the contrast between the budget's lavish support for the coal industry and its dismissal of the solar industry is staggering.

It is also surprising that in a country which is overpopulated in terms of available water and arable land, the government chooses to subsidise child-care without means test and to pay a baby bonus to couples earning up to \$150,000, while at the same time imposing a tight restriction on the solar subsidy and thereby placing at risk an industry that is our best hope for clean power generation and a liveable, ordered future for all our children.

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