

16 November 2015

Kim Wood
Principal Commissioner
Queensland Productivity Commission
PO Box 12112
George Street QLD 4003

Dear Kim

Submission to Issues Paper for Electricity Pricing Inquiry

The Queensland Council of Social Service (QCOSS) welcomes the establishment of the Queensland Productivity Commission (QPC) and in particular its objectives to drive economic growth and improve living standards across Queensland. We are pleased that the QPC has been directed to conduct an inquiry into electricity prices as one of its first tasks.

As an essential service, it is critical that the electricity market is affordable and accessible to all. Many disadvantaged Queenslanders are struggling with the relentless price increases of the last several years, and risk being left behind as new technologies, complex tariffs and emerging business models potentially widen the gap between Queenslanders who can benefit from these opportunities, and those who cannot.

We appreciate the opportunity to provide our perspective on an ever-worsening electricity affordability crisis in Queensland. Our information about this crisis has been obtained through the perspectives of people working in community organisations across the state, who are facing increasing demand for assistance from people struggling with electricity costs. Their experiences are supported not only by trends showing sharp price increases in recent years – including an almost 440 per cent increase in fixed charges since 2009 – but also the increasing numbers of households being disconnected for non-payment in Queensland. This reached a record high of 29,642 households in the 2014-15 financial year. Given this situation, there is a need for an urgent intervention.

It is difficult for many Queenslanders – especially those who are disadvantaged – to participate in formal consultation processes. There are also barriers for local community-based organisations, focused on frontline service delivery, to provide evidence about the outcomes and experiences of the vulnerable and disadvantaged people they assist. Our submission has been informed by ongoing feedback from our almost 600 members and other community-based organisations across the state, including those who participated in our online survey and energy workshops this year. I feel confident it will provide the QPC with a clear picture of the challenges faced by low income and disadvantaged Queenslanders in relation to electricity.

QCOSS is committed to working with the QPC to address both the current and emerging challenges in the electricity market, with a view to achieving positive outcomes for low income and disadvantaged Queenslanders. We make a number of recommendations in the attached submission which we look forward to discussing with you.

Yours sincerely



Mark Henley
Chief Executive Officer

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