

# Appropriate income support important for vulnerable Victorians: community sector roundtable

**03 September 2020**

*Corporate*

*Thursday 3 September, 3–4:30 pm (via Zoom)*

Victoria's community support and consumer advocacy groups are concerned about increasing financial difficulties for vulnerable Victorians in the back half of 2020.

Representatives from 12 organisations in the help sector came together for the group's fifth roundtable discussion since the coronavirus pandemic started.

The group heard about the importance of appropriate income support for vulnerable Victorians, particularly as winter bills start to arrive.

Key issues raised included:

- concern about what will happen when JobSeeker and JobKeeper payments are reduced
- continuing challenges in ensuring access to concessions
- risks associated with debt accumulation
- while call numbers continue to be lower or are at the same level compared to last year, Victorians are increasingly concerned about their financial wellbeing, particularly their ability to pay household bills.

# Transcript

## Acknowledgement of country?

To start, I'd like to acknowledge the Traditional Owners on all the lands we're meeting on today and pay my respects to Elders past, present and emerging.

I would like to acknowledge the connection that Indigenous Australians hold to country and culture.

## Welcome and introductions

We last met in July and in that time the commission has amended energy requirements relating to Utility Relief Grant Scheme assistance, tariff checks and small business assistance as well as water code reforms to provide additional assistance to consumers during this time. I will provide a brief update on these changes later in this discussion.

I'd like to acknowledge how much has changed and how much continues to change in the external environment in this time. For many of us based in Melbourne the last few weeks have been a challenging time readjusting to Stage 4 restrictions and seeing fellow community members struggle with the added impact these restrictions are having.

We'll be talking later today about what this has meant for your organisations and your clients, but I think it's important to start today's meeting by reflecting on the impact the restrictions are having across the Victorian community. It's a long road ahead but we are certainly all in this together.

## Welcome attendees and ESC staff

I would like to introduce my fellow commissioners, senior leaders and commission staff members who are here today and who, like me, are keen to hear from you. If you could turn on your cameras and give us a wave.

- My fellow commissioners – Sitesh Bhojani – Simon Corden – Rebecca Billings
- Our Director of Energy – Sarah McDowell

- Our Director of Price Monitoring and Regulation – Marcus Crudden
- Our Director of Victorian Energy Upgrades – Jeff Cefai
- And our Head of Strategic Communication – Michelle Bryne
- Our Customer Engagement Project Manager – Lucy Weston
- Our Project Leads on consumer vulnerability – Jess and Kat?
- Engagement Practice Lead – Lisa Horsburgh
- From our Energy Team – Katherine and Ann
- From the Price Monitoring and Regulation Team – Saeideh and Meg
- Our project intern – Mayumi
- Our project communication partner – Sam Ryan

## **Attendees**

I'd also like to welcome our attendees for today, so everyone knows who's in the room.

## **Community and consumer organisations**

- Emma O'Neill and Lauren Solomon – Consumer Policy Research Centre
- David Bryant – Brotherhood of Saint Laurence
- Jarrod Lenne – Victorian Council of Social Service
- Ciara Sterling – Thriving Communities Partnership
- Patrick Sloyan and Gerard Brody – Consumer Action Law Centre
- Lyn Dundon and Sandy Ross – Financial Counselling Victoria
- Dominic Schipano - Council of Small Business Organisations Australia
- Sally Kenyon – Justice Connect
- Dacia Abela – Westjustice
- Lee-anne Carter – Victorian Aboriginal Legal Service
- Cynthia Gebert and Zac Gillam – Energy and Water Ombudsman
- Kate Mecham - Domestic Violence Victoria

## **Observers**

- Australian Energy Regulator
- Department of Environment, Land, Water and Planning
- Department of Treasury and Finance.

## Community sector updates

Representatives from 12 community service organisations then provided short updates on what they're seeing in their work with consumers and small businesses and the impact on Victoria's community.

The Consumer Policy Research Centre presented research showing that many Victorians are concerned about their financial wellbeing, particularly their ability to pay household bills.

## Commission update

Our final update for today is [key findings from data received from electricity and gas retailers for July](#) as well as a brief explanation of changes to energy requirements and water code reforms put in place by the commission since our last roundtable.

We are hoping these changes will provide increased assistance to consumers and by providing this update to you all today we are raising community awareness of the support available.

## New reforms

In terms of reforms, we have introduced new targeted reforms to support energy customers paying their bills through the pandemic. Those take effect from 1 October 2020.

### Supporting utility relief grant applications:

- There is an ongoing requirement for retailers to support residential customers in completing utility relief grant application forms, including by submitting forms online on behalf of the customer where possible and the customer consents.

### Offering tariff checks:

- Retailers are required to conduct a tariff check for all residential customers receiving tailored assistance, not just those who cannot afford the ongoing cost of their energy. This is an extension of the existing payment difficulty framework and will be in place for six months.

#### **Payment assistance for small businesses:**

- [Retailers are required to provide reasonable assistance](#) to small businesses that are experiencing financial stress due to the coronavirus pandemic. This will also be in place for six months.
- Small businesses adhering to a payment plan will not be able to be disconnected for non-payment, as set out in the current requirements of the [Energy Retail Code](#).

#### **Update to water codes:**

- We have [introduced the national cabinet principles into the water customer codes](#).
- Hardship and bill payment support has been extended to small businesses, effective 18 August, and debt recovery is to be halted while customers are experiencing financial stress due to the coronavirus pandemic.
- The existing customer service codes still apply and the incorporation of some national principles are designed to be temporary, we intend to engage with stakeholders to review what should be carried over and for how long.

## **Vulnerability strategy**

We are also excitingly moving towards launching our vulnerability strategy work program. We will be releasing more information in the coming weeks.

## **In closing**

Some key things I've heard today:

- JobSeeker and JobKeeper rollbacks – people have been able to pay their bills because of these payments, so debt is still low, but there is serious concern about what happens when these are reduced.

- People not eligible for Job Keeper or Job Seeker (those seeking asylum or on temporary or bridging visas) continue to experience extreme challenges, and often have no form of income.
- Call numbers continue to be lower or are at the same level compared to last year, but according to Consumer Policy Research Centre's work, housing and energy related financial concerns are the highest in customer concerns.
- There are continuing challenges in ensuring access to concessions.
- There are issues around authority to act, with consumers finding it difficult to give their financial counsellors authority to act on their behalf to retailers.
- Debt accumulation is a risk, especially for young people taking out loans to pay for household debt, and people using 'buy now pay later' services.

I would like to take the opportunity to thank everyone for making the time, and for your valued contribution and insights into the effect of the pandemic on Victoria's community.

I'll leave you now and hope to keep the dialogue and engagement ongoing with you all so that we can best tackle these challenges collectively.

Stay well and take care.

## For general enquiries

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