

Submission to the Department of Health

## Climate Health WA Inquiry

30 August 2019

The Western Australian Council of Social Service Inc. (WACOSS) welcomes the opportunity to make a submission to the Department of Health's *Climate Health WA Inquiry*.

WACOSS is the peak body of community service organisations and individuals in Western Australia. WACOSS stands for an inclusive, just and equitable society. We advocate for social and economic change to improve the wellbeing of Western Australians and to strengthen the community services sector that supports them. WACOSS is part of a national network consisting of ACOSS and the State and Territory Councils of Social Service, who assist people on low incomes and experiencing disadvantage Australia wide.

### Impact of Climate Change on Low-Income Households

As noted by the fourth report of the Intergovernmental Panel on Climate Change, "hardships from extreme events disproportionately affect those who are socially and economically disadvantaged".<sup>1</sup>

People living in poverty have been found to be more susceptible to the diseases that climate hazards can spread, as well as being suffering more from the adverse effects of heatwaves as they cannot afford amenities such as air conditioning. This greater susceptibility in turn undermines their income and asset position due to loss of productivity, employment and income, their human capital due to lost school days and the development of chronic conditions, and from general health and growth impacts.<sup>2</sup>

Increases in the severity of extreme climate events within Western Australia will leave to increased pressure on governments and the community sector for support, as well as have a significant impact on the demand for health services.

People already experiencing poverty and hardship have the fewest protections from climate change impacts and live in the most affected places. With less access to resources and capabilities such as money, choice, power and social connections, their ability to cope, adapt or recover from the impacts of climate change are reduced. This is in part because those on low incomes and experiencing disadvantage spend disproportionately more of their incomes on essential services.

ACOSS and the Brotherhood of St Laurence have found that people on low incomes spend on average 6.4 per cent of their income on energy, compared to households in the highest income

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<sup>1</sup> IPCC (2007) *Climate Change 2007: Impacts, Adaptation and Vulnerability*, Working Group II Contribution to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change

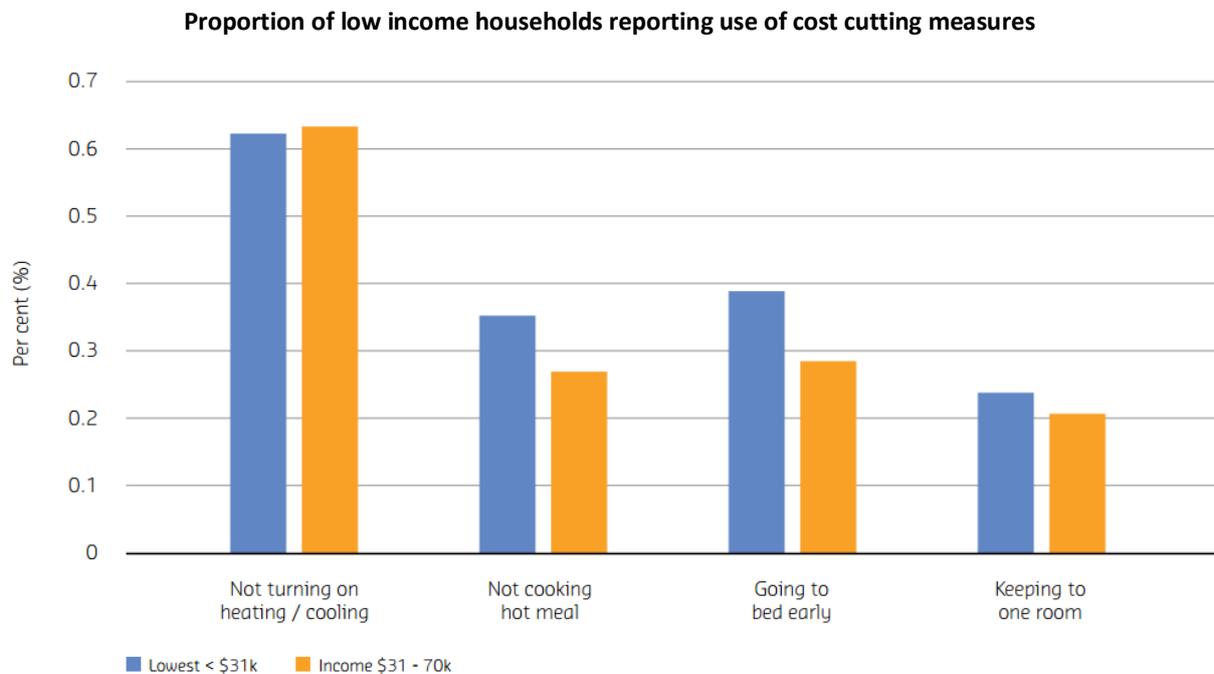
<sup>2</sup> S Nazrul Islam and Jogn Winkel (2017) *Climate Change and Social Inequality*, DESA Working Paper No. 152, United Nations Department of Economic and Social Affairs

quintile, who pay on average only 1.5 per cent. Further, one in four low income households were found to be paying over 8.8 per cent of their income on energy.<sup>3</sup>

Analysis by WACOSS of income and expenditure data of 404 Western Australian households who accessed financial counselling services during 2017/18, found that those households in the data set that were below the poverty line were dedicating on average 6.5 per cent of their general expenditure to utility costs. Those households in the data set that lived in regional WA were on average dedicating 6.1 per cent of their general expenditure to utilities, compared to Perth metropolitan households at 5.2 per cent.<sup>4</sup>

Research undertaken by Macquarie University has demonstrated that energy use and health and well-being are inexorably linked. This is both in how efforts to minimise energy costs can impact health and well-being, but also how the use of medical devices can increase energy costs for households.<sup>5</sup>

The 2016 Bankwest Curtin Economics Centre Energy Poverty survey found that a number of low-income households were resorting to different measures in order to reduce their power bills.<sup>6</sup>



The report found that rental households were dramatically less likely to be insulated, meaning that those on low incomes were more likely to be using more power to regulate the temperature in their dwelling.

<sup>3</sup> ACOSS and BSL (2018) *Energy Stressed in Australia*. [www.acoss.org.au/wp-content/uploads/2018/10/Energy-Stressed-in-Australia.pdf](http://www.acoss.org.au/wp-content/uploads/2018/10/Energy-Stressed-in-Australia.pdf)

<sup>4</sup> WACOSS (2018) *Cost of Living Report*

<sup>5</sup> Macquarie University (2017) *Exploring the nexus of energy use, ageing, and health and wellbeing among older Australians*, Energy Consumers Australia

<sup>6</sup> Bankwest Curtin Economics Centre (2016) *Energy Poverty in Western Australia: A Comparative Analysis of Drivers and Effects*, BCEC Research Report No. 2/16

Percentage of dwellings with insulation in Perth 2009/10 (per cent)<sup>7</sup>



Source: ABS. Cat. No. 4656-5

Research conducted by the Centre for Urban Research at RMIT highlighted the significant risk posed to at-risk households by the increasing prevalence of extreme heat, particularly in our tropical northerly climactic regions. 88 per cent of key informant survey respondents were aware of at-risk client that do not use air conditioners during heatwave and half were aware of clients also not using fans, with electricity costs the main reason. The majority of these informants were aware of households experiencing adverse physical health impacts and/or declining mental health as a result of restricting the use of fans or air conditioning in their homes.<sup>8</sup>

Households living in poor quality housing with inefficient appliances have limited capacity to reduce their exposure to extreme heat, and older households may underestimate their vulnerability to adverse health outcomes. Further, medical cooling concessional arrangements currently do not adequately address the health and financial risks for those reliant on air conditioning, and this situation will be exacerbated as our population ages and the number of extreme weather events continues to increase.

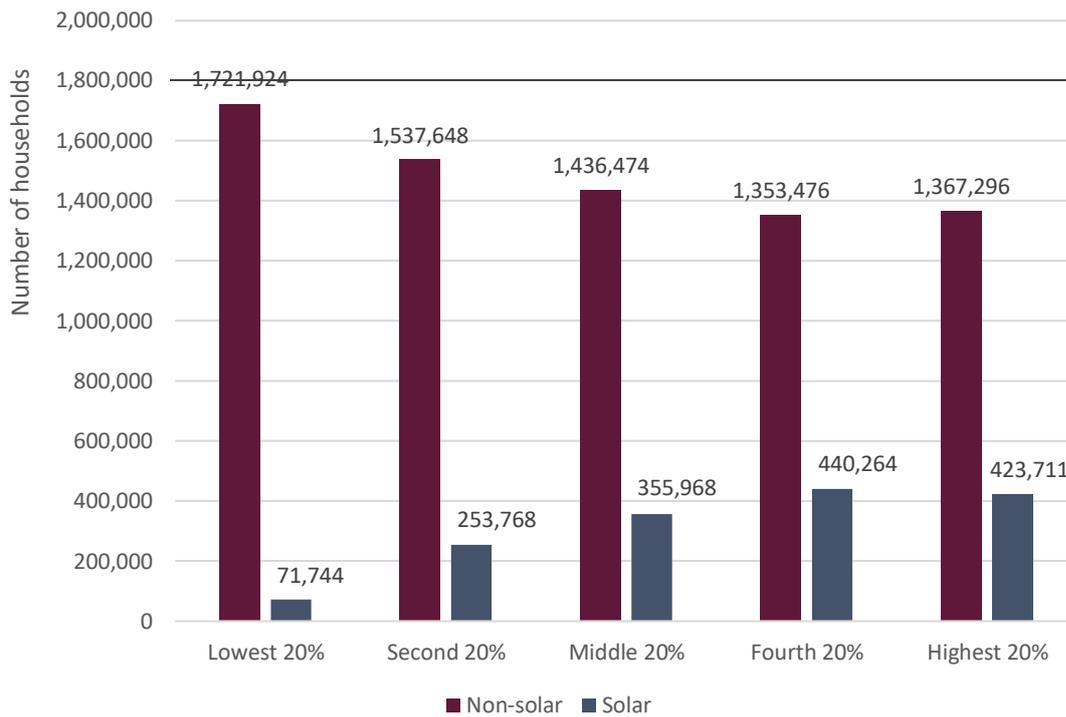
The uptake of residential rooftop solar photovoltaics (PV) in Western Australia has been significant, with around one in four households installing PV. Nearly 17 per cent of Australian households have solar panels, reducing their energy bills by an average of \$400 per annum.<sup>9</sup> The ability for households to access this technology, however, is not equal, however, and for those on lower incomes or in rental housing there are few opportunities to benefit from solar through reduced consumption costs.

<sup>7</sup> Ibid.

<sup>8</sup> Dr Larissa Nicholls, Ms Halley McCann, Dr Yollande Strengers, Dr Karyn Bosomworth (2017) *Heatwaves, homes and health: Why household vulnerability to extreme heat is an electricity policy issue*, Centre for Urban Research, RMIT University

<sup>9</sup> ACOSS and Brotherhood of St Laurence (2018) *Energy Stressed in Australia*

### Solar panel households by wealth quintile Australia-wide



Source: ACOSS and the Brotherhood of St Laurence (2018) *Energy Stressed in Australia*

This risks the scenario that those who cannot afford or access solar will continue to pay more for their energy, while those who can will pay less, increasing energy and financial inequality. While this inequity of access is a significant issue across Australia, Western Australia in particular has one of the lowest levels of solar PV installation on dwellings occupied by those experiencing the highest levels of socio-economic disadvantage in our community.

### Shares of suitable WA dwellings with rooftop Solar PV installed: to June 2017, by state/ territory and level of socioeconomic disadvantage

Share of suitable dwellings with rooftop Solar PV installations							
Level of disadvantage	NSW	Vic	QLD	SA	WA	Tas	NT
Decile 1 (most disadvantaged)	16.5%	0.0%	4.2%	29.7%	7.4%	21.2%	0.0%
Decile 2	20.6%	14.0%	36.1%	30.4%	16.0%	11.0%	12.7%
Decile 3	21.8%	18.5%	28.7%	34.7%	18.8%	13.7%	3.2%
Decile 4	21.0%	21.4%	30.3%	34.3%	21.1%	15.0%	5.5%
Decile 5	20.3%	18.5%	38.4%	33.0%	29.4%	15.6%	0.8%
Decile 6	16.4%	19.3%	26.2%	38.5%	28.7%	11.1%	7.3%
Decile 7	16.0%	16.8%	37.9%	31.8%	28.9%	14.4%	10.9%
Decile 8	12.0%	19.8%	35.5%	62.2%	28.9%	13.6%	18.1%
Decile 9	14.4%	13.6%	30.5%	31.6%	30.9%	15.4%	11.6%
Decile 10 (most advantaged)	11.6%	10.7%	0.7%	30.7%	21.5%	0.0%	5.8%
All	16.8%	16.2%	33.7%	33.2%	27.3%	14.0%	12.3%

Source: Bankwest Curtin Economics Centre (2017) *Power to the People*

This inequity can be further exacerbated by the fact that some lower income households have higher than average energy consumption, especially those in poor quality housing. These households may be more home-bound, including children, seniors, those with long-term health issues or people living with a disability, and so may be consuming more energy through the day.

### **Community Services Sector Climate Resilience**

Research undertaken by the ACOSS and Climate Risk Pty. Ltd in 2013, found that community service organisations in WA and NSW were less likely to have engaged in risk management, mitigation and transfer practices and were therefore less resilient to climate change and extreme weather impacts than organisations in other states.<sup>10</sup>

Community service organisations surveyed as part of the research reported high levels of vulnerability to the loss of buildings and service centres, with 50 per cent of respondents predicting their organisation would still be out of operation after a week and 25 per cent indicating they would be at risk of permanent closure.

Half of the organisations surveyed predicted that an extreme weather event would cause a short-term increase in the demand for services, with 30 per cent predicting that the increased demand would be maintained long-term. Importantly, those organisations that predicted that the demand would be maintained long-term were most likely to be providing services relating to housing and homelessness, emergency relief and advocacy services.

With most services around Western Australia already at or over capacity, the impact of increased demand or being unable to operate places people already experiencing significant hardship at even greater risk. Some survey respondents predicted that there would be groups at an increased risk of death if services were to fail, such as those experiencing homelessness, as well as people with high levels of reliance on services providers to meet their daily personal and health care needs.

From 2017 to 2018, the WACOSS Natural Disaster Resilience Program provided training for organisations to use the Resilient Community Organisations Toolkit as developed by ACOSS. This training reached 157 participants from 79 community organisations and 15 local governments. As part of this training, 96 organisations from WA utilised the Benchmarking Tool on the ACOSS Resilient Community Organisations website, an online self-assessment tool that provides organisations with a resilience score and information to help them identify how to strengthen their organisation.<sup>11</sup>

44 per cent of those WA organisations that used the Benchmarking Tool reported that they knew well how to contact their vulnerable clients in disasters and emergencies, with a further 38 per cent reporting that they partially knew. The results showed that 35 per cent of organisations believed that the relevant staff in their organisation knew the formal structures that allow community organisations in their community to connect with local emergency services, with 39 per cent stating that their staff partially knew.

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<sup>10</sup> Karl Mallon, Emily Hamilton, Manu Black, Betsi Beem and Julius Abs (2013) [\*Adapting the community sector for climate extremes: Extreme weather, climate change & the community sector –Risks and adaptations\*](#), National Climate Change Adaptation Research Facility

<sup>11</sup> ACOSS (2015) *Resilient Community Organisations*, <https://resilience.acoss.org.au/benchmark>

However, 45 per cent of those organisations reported that their organisation's board and management were either not aware or not very aware of the likely consequences of climate change on the frequency and severity of natural disasters in the future. 36 per cent reported that their board and management were not aware or not very aware of the phases and roles in managing risks to communities in disasters and emergencies.

Only 16 per cent reported that they had thorough plans in place for preparing for recovery, while 38 per cent stated they had no recovery plans in place. 48 per cent reported that they had some, but not all of the relevant policies and procedures for disasters and emergencies they potentially face, with 19 per cent reporting that they had significant gaps.

It is important to note that these local and regional community-based services are often called upon to play a critical role in disaster response, particularly during the recovery phase. For this response to be effective, it is crucial that they have the necessary knowledge, capacity and networks, and are connected with the formal disaster response plans and authorities. Changes in funding arrangements can mean that local authorities may not know who to contact, particularly as services are often not included in local disaster planning. Similarly, reductions in funding in real terms and changes in program arrangements can mean that services may not still have the capability to contribute as expected in disaster response and recovery. Further, the changing nature of volunteering, with an ageing population and fewer people able or willing to contribute time also presents a threat to the resilience of local communities and civil society.

A project that previously existed to address the climate reliance of sector organisations in Western Australia and their infrastructure was the *Climate Change Readiness for Community Services* program.<sup>12</sup> From 2009 to 2012, WACOSS was funded by the Federal Government Jobs Fund scheme to run the project. The program trained people experiencing unemployment to conduct energy efficiency audits and then employed them to conduct free climate change and energy efficiency audits for participating community service organisations. 726 audits were conducted, with 400 organisations receiving \$1,000 minor retrofit grants and four \$25,000 major retrofit grants as a result. Programs such as this were able to both increase the energy efficiency and climate resilience of community sector organisations, while also providing training and employment opportunities for those experiencing unemployment.

If you would like to discuss this submission further, please contact the WACOSS Research and Policy Development Leader 

Yours sincerely,



Louise Giolitto  
Chief Executive Officer  
WACOSS

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<sup>12</sup> WACOSS (2010) *Climate Change Readiness for Community Services: Information for community services*, <http://www.churcheswa.com.au/wp-content/uploads/2010/03/Information-for-Community-Services.pdf>

27<sup>th</sup> of August 2019

**Letter of support: WACOSS Submission to the Department of Health: Climate Health WA Inquiry**

Shelter WA would like to express our support for the submission and recommendations made by WACOSS to the Climate Health WA Inquiry by the Department of Health, especially in regard to the severe impact of climate change on the health and financial stability of very low- and low-income households.

Shelter WA is an independent peak body, based in Perth Western Australia, that advocates for social and affordable housing and ending homelessness. Shelter WA takes a strategic leadership role, championing the development of an effective housing system and bringing all parts of the system together to achieve this. We advocate for housing affordability for all, with a focus on low to moderate income earners.

Shelter WA's vision is that all people in Western Australia have housing that enables them to thrive.

Shelter WA is concerned about the impact of climate change on the most vulnerable households in Western Australia, especially when it comes to housing, as people experiencing poverty and inequality are already socially and financially disadvantaged. Climate change will exacerbate this as utility costs can increase dramatically and impact a household's ability to maintain the living costs of their home. Climate related housing costs are an issue for every household, however those on very low and low incomes are disproportionately impacted as they are often residing in older housing stock, whether that be in the private rental market, or public and community housing.

Factors such as socioeconomic position, conditions of employment, power and social support—known collectively as the social determinants of health—act together to strengthen or undermine the health of individuals and communities. Housing is acknowledged as a social determinant of health. Access to appropriate, affordable and secure housing can limit the risk of Australians being socially excluded by factors such as homelessness, overcrowding and poor physical and mental health. Poor-quality housing influences physical and mental health. Evidence supports the close relationship between people's health and the living and working conditions which form their social environment<sup>1</sup>.

The evidence shows that the housing options for people in social housing and for people on incomes who rent in the private rental market tend to be characterised by poor housing quality and design. This impacts on the costs of operating the home. People living on low incomes spend a greater proportion of their total weekly household budget on energy and water, compared to wealthier households. These are essential services for all households, but those with low incomes and facing financial hardship risk losing access to them. People on low incomes are less able to reduce their energy consumption by investing in energy efficiency measures in their homes, and face increasing

<sup>1</sup> <https://www.aihw.gov.au/getmedia/746ded57-183a-40e9-8bdb-828e21203175/aihw-aus-221-chapter-4-2.pdf.aspx>

prices for electricity, gas, water, food and insurance. This leads to the concerning observation that people living on low incomes are being further trapped into poverty.

People on very low, low and low to moderate incomes in social housing and private rental properties and are therefore less able to be able to afford adapting their homes to climate change.

Well designed, secure, safe and affordable housing is needed to protect against heat and cold and other effects of extreme weather. It is a prerequisite for coping with and adapting to extreme weather and disasters driven by climate change. People who are sleeping rough, are particularly at greater risk to adverse weather, due to their exposure, than the general population.

Their risk is also increased by higher rates of chronic disease, smoking, respiratory disease, mental illness and substance abuse than the general population. This renders them profoundly vulnerable to climate change related weather events. In particular, extreme heat increases health risks of those experiencing homelessness. This is especially problematic for people with pre-existing health conditions. This vulnerability is made worse by inadequate access to medical services and in some circumstances, being forcibly 'moved on' by security personnel and police.

People on low incomes living in sub-standard private rental properties, public or community housing, and vulnerable people living in boarding or rooming houses, hostels, caravan parks, residential parks or camping grounds, can lack the money, capacity or choice to cool their homes in periods of hot weather, or heat their homes in periods of cold weather.

This strong connection between appropriate and adequate housing and its link to the overall wellbeing of individuals and the community highlights the arguments brought forward by WACOSS. When designing responses and initiatives to deal with the impact of climate change and health, it has to be seen in the broader context of wellbeing, for which adequate, climate responsive housing is the foundation.

If you would like to discuss this letter of support further, please contact [REDACTED]

Yours sincerely,

[REDACTED]

**Michelle Mackenzie**  
CEO