

MS Society of Queensland Budget Submission for a Medical Cooling Electricity Rebate

It is proposed that in its next budget the Queensland Government implement a Medical Cooling Electricity Rebate to cover approximately one-third of this cost: \$250-\$300 annually.

People with MS do not have a choice about turning on their air conditioners on hot days and nights.

Heat intolerance is a significant medical problem affecting people with MS. As little as 0.5C increase in core body temperature can significantly increase MS symptoms. Heat intolerance also affects some people with other conditions such as Parkinson's disease, polio and spinal cord injury.

There are approximately 3,200 people with MS in Queensland. Approximately one-third of these are living on disability or aged care pensions, and also face significant disease-related out-of-pocket costs of more than \$4,000 annually.

These out-of-pocket costs, along with (a) rising electricity prices; (b) increasing economic pressures on households generally and (c) increasing number of hot days and nights due to climate change, make it more and more difficult for people with MS (and others) on low incomes to afford their medically required cooling.

Queensland, like most other states, provides much valued financial assistance for electricity costs to pensioners and for life support equipment. This however does not address the medical need some people on low incomes have to keep cool. WA and VIC have energy rebates schemes in place that assist those on low incomes with a medical need to keep cool pay part of the costs of running their air conditioners, and NSW is in the process of implementing one.

All of these schemes indicate that this very significant need for a small group of people can be met with minimal costs to government.

It is estimated that on average people with MS in Queensland spend between \$753 and \$1,004 annually operating their air conditioners in an effort to stay cool. Average QLD households in contrast, spend approximately \$112-\$149.

At a minimum, eligibility should be the same as the current Electricity Rebate, with the additional requirement to have a doctor sign-off on the 'medical need' for cooling. Consideration should also be given to including those with low-income Healthcare Cards to ensure that all of those with low incomes and a medical need to keep cool have access.

Administratively the simplest approach would be to structure this rebate similarly to the existing Electricity Rebate – a flat annual rate. Ideally, this much needed support should be indexed annually to residential electricity tariffs so it is not eroded over time, or to CPI at the very least.

Alternatively, a percentage-based rebate could be established and should be set in such a way to ensure that an average of \$250-\$300 annually reaches those who are eligible.

There are approximately 3,500 people in Queensland that would be eligible in 2010-2011 (if eligibility is similar to VIC and NSW – including Healthcare Card holders). But, based on the experiences of WA and VIC it will be many years before all those eligible actually receive the concession. Uptake would be gradual, with an estimated first-year cost to the Queensland Government of \$375,000-\$450,000

See the attached *Keeping Cool Discussion Paper for a Queensland Medical Cooling Rebate* by the for more information.