

# Voices for Power Campaign of the Sydney Alliance's Submission to the Independent Accountability Panel of the Energy Charter

*The Sydney Alliance brings together diverse community organisations, unions and religious organisations to advance the common good and achieve a fair, just and sustainable city.*

*We do this by providing opportunities for people to have a say in decisions that affect them, their families and everyone working and living in Sydney.*

*The Voices for Power Project include representatives from seven diverse migrant and religious communities in Western Sydney and beyond and formidable allies from the union and environment movements, with a combined membership of over 3 million Australians.*

## **1. Aggressive Debt Collection Practises Hurting Consumers**

*Relevant Principle:* Principle Five – We will support customers facing vulnerable circumstances.

*Relevant Disclosures:* All energy retailers' disclosures outline the hardship programs and processes for customers dealing with debt. However, there are no disclosures about the practise of selling debts to debt collection companies who then employ aggressive tactics.

### Case Study 1: Single mother was disconnected and chased by debt collectors for two years.

"5 years ago I noticed a huge jump. Bills that used to be \$800 a quarter, suddenly were \$2000. I didn't understand why. We weren't doing anything differently. We had one TV, one computer. The late payment fees started to accumulate. I would be calling and asking to pay instalments just so they wouldn't cut us off. At no time did they help access a hardship program.

3 years ago my Father passed away. I went to New Zealand as he was dying and while I was there, we got evicted.

We moved in with family. My kids had to change schools. There were 16 people in a 3 bedroom home. I felt like a failure.

And I kept getting emails about my overdue electricity bills. I was trying to organise a place to live, and the debt collectors were calling.

A year ago my 4 kids and I ended up in a refuge. The debt collectors were still calling. It was a different person every time. I kept asking for a new payment plan."

### Case Study 2: Using Candlelight for Two Years

B was struggling with affording her energy bills for some time. B used one EAPA vouchers but could not get this assistance again. Eventually B was disconnected and for two years, she was using candlelight in the evenings. All the while, B was being harassed by debt collectors.

Case Study 3: Young Person Struggling with Mental Health Issues who became Homeless

S is a young man who struggles with mental health issues. He moved to Sydney in 2015 from a regional town in NSW that has high levels of youth unemployment to increase his employment opportunities. He lived with an old school mate for a few weeks until he found a job and then moved into a rented Unit with a mate he met at work. They were co-tenants and the electricity account was in his name.

In 2018, his mental health deteriorated, and he subsequently lost his casual job and his life started to unravel. He became severely depressed and suicidal and he was caught in a vicious cycle of unemployment, depression & anxiety which meant he wasn't well enough to look for other work and he couldn't maintain his rental payments, and he became homeless.

He couch-surfed with mates for a couple of weeks but this wasn't a permanent solution to his problems, so he moved back to the regional town where he'd grown up and had family and support networks.

He was linked up to mental health services and spent a week as an inpatient of a mental health unit then he began the slow road to recovery. He had lost everything when he became homeless, all his personal belongings, his bike and the furniture and white goods he owned were all left behind when his life unravelled.

Almost 12 months after S became homeless and left Sydney, he started to receive calls from a Debt Collection Agency asking him to pay his outstanding energy bill. He didn't know he had an electricity debt so he queried it and he asked them how much was owed, he was told it was almost \$500.

He told them it wasn't his debt, he had moved out of the rented premises almost 12 months ago but the Debt Collection agency wasn't interested in his story, they told him he was the account holder and when the bill wasn't paid after the rental was vacated, the Energy Company, Energy Australia, sold his Debt to the Debt Collection agency (Panthera Finance) and they intended to get the debt repaid.

The Debt Collection Agency called S on a daily basis and when he stopped taking their calls, he started to receive text messages demanding the money. When he tried talking to them to say it's not my debt, this is the debt of my flatmate and the person who moved in with him when I moved out, they told him that was not their concern, the debt was in his name. He was told he was now on a blacklist of people with bad debts and he was threatened with recovery action that could involve legal action and they threatened to visit him at home to recover the Debt.

His Mum had been a guarantor for his application for the rental property and she started to receive calls about S electricity debt. She was alarmed and spoke to S and he told her he was too ashamed to tell her about it and he didn't have the money to pay it, he was trying to survive on New Start Allowance and was just holding it together with his mental health challenges. He was too scared and mentally unstable to do anything about finding out his rights and he didn't want her to do this for him or worry about it. He is still being chased by Panthera Finance for the Energy Australia debt he didn't incur.

## 2. Partnerships with Community Leaders to Educate and Empower CALD consumers

*Relevant Principles:* Principles One, Two, and Four.

*Relevant Disclosures:* AGL and Origin's disclosures outlined community workshops and energy literacy initiatives, delivered in partnership with community organisations. However, culturally and linguistically diverse ('CALD') consumers experience specific barriers in the energy system.

Voices for Power is exploring opportunities to collaborate with key Energy Charter signatories to deliver an energy literacy program to CALD consumers in Western Sydney.

### The Experience of CALD consumers in the Energy System

CALD communities experience **structural barriers** to engaging the complex energy system, including technological barriers, language barriers, and socio-economic disadvantage.<sup>i</sup> Energy literacy in our communities is low.<sup>ii</sup> Many families are unaware of the hardship programs and government rebate schemes available to them.<sup>iii</sup> Finally, renewable energy and energy efficiency are technologically dynamic sectors that is too confusing for our communities to access.

Therefore, many of CALD community **disengage** from the energy market to their detriment.<sup>iv</sup> They sacrifice comfort or other necessities like food and medicine, just to pay their bills.

Further, government resources are only accessible to people who are proficient in English and able to use digital technology.<sup>v</sup> Consumer targeted education programs are only conducted in English. This is not good enough.

CALD communities prefer to receive information in their **own language**, from community intermediaries that they **trust**.<sup>vi</sup> They seek advice from **their peers** and **trusted community leaders and religious leaders**. Understanding the key community relationships and networks are essential in being able to engage these communities. There needs to be **specific resources** allocated to reaching these communities.<sup>vii</sup>

### Voices for Power - Bridge for Meaningful Engagement with CALD Communities and Energy Providers

The Voices for Power Project ('VfP Project') of the Sydney Alliance is a collaboration of community leaders and institutions from seven culturally and linguistically diverse ('CALD') communities in Sydney – the Filipino, Vietnamese, South Asian, Pacific Island and Maori, Jewish and Middle Eastern Christian and Muslim communities.

In just two years, the VfP Project has organised over **40 community forum events** and information sessions, listened to over **1000 stories**, and had over **500 community members** participate in major actions calling for clean, affordable energy solutions from our political decision maker. In March 2019, Over **700 community members from seven VfP communities** participated in the *Townhall Assembly For Housing and Energy*, joining a 2000-citizens-strong action ahead of the NSW election. The VfP Project is well-placed to act as the bridge, **facilitating meaningful engagement** between the energy market and CALD communities.

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<sup>i</sup> See research on CALD community's experience with the energy system e.g., Dr Harriet Radermacher, **Multicultural Communities' Energy Education Project Final Report**. Ethnic Communities' Council of Victoria; Hansen et al. (2015) **Extreme Heat and Climate Change: Adaptation in Culturally and Linguistically Diverse Communities**. National Climate Change Adaptation Research Facility. University of Adelaide.

<sup>ii</sup> Ethnic Communities' Council of NSW (2016) **Experiences of Energy Consumption for CALD communities**.

<sup>iii</sup> NCOSS (2017) **Turning off the Lights. The Cost of Living in NSW Report**; Audit Office of NSW, **Performance Audit: Energy Rebates for Low Income Households**.

<sup>iv</sup> **Experiences of Energy Consumption for CALD communities**.

<sup>v</sup> See **Multicultural Communities' Energy Education Project**, p. 23.

<sup>vi</sup> **Experiences of Energy Consumption for CALD communities**.

<sup>vii</sup> ACCC (2018) **Restoring Electricity Affordability and Australia's Competitive Advantage**, Recommendation 38; see also, ACIL Allen Consulting (2018) **Supporting Households To Manage their Energy Bills**, vii re: strategic frameworks; GEER Australia (2018) **Driving Change – Identifying what Caused Low-Income Consumers to Change Behaviour**, pp. 6-7.